

THE ARK PRE-SCHOOL NURSERY, LIPHOOK

England & Wales · Charity number 1168943

Details

Other names THE ARK NURSERY, LIPHOOK

Status Registered

Legal form CIO

Registered 2016-08-26

Register [View on the Charity Commission register](#)

Contact

Address The Church Centre
Portsmouth Road
Liphook
GU30 7DJ

Phone 01428 725390

Email info@thearknursery.co.uk

Website <http://www.thearkliphook.co.uk/>

Activities

Objects: THE OBJECT OF THE CIO IS:1) THE ADVANCEMENT OF EDUCATION FOR THE PUBLIC BENEFIT BY THE PROVISION OF A PRESCHOOL NURSERY IN LIPHOOK IN ACCORDANCE WITH CHRISTIAN PRINCIPLES.2) TO MAKE GRANTS TO OR FOR SUCH CHARITABLE PURPOSES AS THE CIO SHALL IN ITS ABSOLUTE DISCRETION DETERMINE AT SUCH TIMES AS THE CIO SHALL IN ITS ABSOLUTE DISCRETION DETERMINE.

Activities: Operating a Pre-School Nursery to serve the community of Liphook and the surrounding area.

Classification

- **How:** Provides Advocacy/advice/information
- **What:** Education/training
- **Who:** Children/young People, The General Public/mankind

Geography

- Hampshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-07-31	£171,474	£164,803	-	-
2024-07-31	£148,007	£127,149	-	-
2023-07-31	£133,183	£148,686	-	-
2022-07-31	£149,633	£148,952	-	-
2021-07-31	£135,730	£125,083	-	-

Trustees

Name	Role	Appointed
EDWARD SIMON CUMMING-BRUCE	Chair	2020-05-05
Erik Francis Hobbs		2026-03-10
Helen Diane Coleman		2017-10-06
Hilton Godfrey Carr		2018-04-22
Jacqueline Elizabeth Taylor		2023-09-12
Nicola Christine Parrott		2023-09-12
REV Valentine Walker Inglis-Jones		2017-10-06

THE ARK PRE-SCHOOL NURSERY, LIPHOOK

England & Wales - Charity number 1168943

Accounts

The Ark Preschool Nursery, Liphook
Trustees Report & Statutory Accounts
Year Ended 31 July 2025

Registered Charity Number: 1168943

The Ark Preschool Nursery, Liphook
Trustees' Annual Report
Year Ended 31 July 2025

Administrative Details

Registered Charity Number: 1168943

Principal office and Address:

The Ark Preschool Nursery, Liphook
The Church Centre
Portsmouth Road
GU30 7DJ

Other Names used: The Ark

Trustees

The Trustees who served during the period were:

Edward Cumming Bruce

Valentine Inglis-Jones

Henrietta Paterson (resigned 8 July 2025 having served the maximum permissible term)

Helen Coleman

Hilton Carr

Nicola Parrott

Jacqueline Taylor

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2025

Chair's Statement

The Ark can celebrate another successful year, in which many families have been supported and young lives impacted. We were again operating at close to capacity in a competitive environment demonstrating that the community we serve recognise the value of the great work that the team does.

The Ark had a regular Ofsted inspection during the year, and although it was disappointing that we didn't quite achieve a repeat 'outstanding' rating, it was encouraging that the factors on which we were marked down were of relatively minor significance. The inspector clearly recognised that the quality of service is very high indeed. Financially, we have maintained a robust position and have again been in a position to support the wider ministry of our landlord and partner, the parish church. The outlook for nurseries across the country has been hit by a legal judgement towards the end of the year, to the effect that charging for lunchtime supervision is not compatible with accepting government provision for free childcare. To date, there has been no compensatory increase in government funding, absent which many nurseries will struggle to maintain quality provision to the less affluent. However, we are confident that the Ark is relatively well placed.

As ever we are indebted to the commitment and hard work of the staff team and many generous supporters and volunteers, and we want to record our gratitude and appreciation for all that they do.

Edward Cumming Bruce
Chairman

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2025

Objectives & Activities

The stated Objects of the Charity are:

- 1) The advancement of education for the public benefit by the provision of a preschool nursery in Liphook in accordance with Christian principles; and
- 2) To make grants for charitable purposes.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

Achievements & Performance

Key achievements made in the period were as follows:

- Providing care, education and support to over 40 children in the course of the 2024/25 academic year
- Provision of approximately 90% of pre-school sessions at EYFS rates, providing a key service, free at the point of use, to the local population in an area previously suffering from a shortage of capacity.

Fundraising

In line with prior years, the Ark undertook fundraising activity with individuals by way of written correspondence. We have not engaged any third parties to fundraise on our behalf during this period. The Ark is not registered with the Fundraising Regulator but is committed to abide by their Fundraising Code of Practice.

Staff and Trustees are aware of, and sensitive to, data protection issues and safeguarding and applies these principles to protect vulnerable donors. Options remain in place to suppress communications to supporters that are flagged as vulnerable.

During 2024/25, The Ark received no fundraising complaints and no suppression requests from the Fundraising Preference Service (FPS).

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2025

Financial review

The 2024/25 academic year saw The Ark trading at a sustainable level. A surplus of £6,671 (2024: £19,822 surplus) was recorded.

Demand for places remains challenging owing to demographic factors, strong local competition and a reluctance to supplement government funded places with parental funds. A government directive that lunch time sessions could not be charged from April 2025 has caused a fall income that will need to be closely monitored going forward.

Voluntary income remained relatively static, totalling £2,999 (2024: £2,178) in the period.

Financial Position

At the period end the Charity net assets were £80,065 (2024: £73,394). Cash at the bank at 31 July was £70,419 (2024: £71,847).

The trustees monitor the level of invoices outstanding, the reason for late payment and the actions taken to ensure receipt. They consider it likely some long standing invoices will not be paid and have therefore made a provision in this year's accounts for bad debt.

Reserves

The trustees are focussed on ensuring that sufficient free reserves are maintained to ensure the smooth continued operation of the preschool. To determine the necessary level of free reserves for the preschool the trustees have assessed the potential financial impact, adjusted for risk and likelihood, of a range of scenarios in which the reserves of the charity would be utilised. Following this review they have agreed that the Ark's free reserves should be sufficient to cover:

- An income reserve in the event that income fails to achieve budget;
- Short term continuity of service in the event of unforeseen circumstances; and
- Costs of opportunities that may arise which would enable the Ark to further its charitable objectives.

There are no restricted funds (2024: nil).

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2025

The trustees have calculated free reserves at 31 July 2025 as follows:

Total Funds at 31 July 2025	£80,065
Less unrestricted Fixed Assets	£0
Less other commitments	£0

Free Reserves at 31 July 2025	£80,065

Free reserves at 31 July 2025 were in line with the minimum requirement identified by the Trustees. In the 2025/26 academic year it is anticipated that these free reserves will fall slightly. As a result, the trustees will continue to seek to manage the finances of the Preschool in such a way that free reserves over the coming years will be maintained.

A charitable donation was made to Liphook PCC.

Investment Policy

Taking into account the reserves policy outlined above, the Trustees have decided that to the extent current working capital levels permit, free reserves should be quickly realisable without any risk to their value. All cash funds are therefore to be held in current accounts or interest bearing deposit accounts.

Structure, governance and management

The Ark Preschool is a charitable incorporated organisation located in England and registered with the charity commission. Its governing document is its CIO Foundation Constitution.

Day to day running of the preschool is delegated to the Head of Preschool and her team of staff. The staff team's work is overseen by a board of between 4 and 7 Trustees. The Trustees set overall policy and strategic guidelines for the charity. They agree annual operating plans and financial budgets and monitor outcomes against those plans.

The work of the trustees is carried out via bi-monthly formal board meetings.

Trustees are generally appointed for terms of 3 years and cannot serve more than 3 consecutive terms without a break from office. Recruitment is usually by nomination from Bramshott and Liphook PCC. Up to 5 trustees may be nominated by the PCC. There is also one Ex-Officio Trustee, being the serving rector of the Parish.

The PCC seeks to recruit trustees who have experience of education or who bring needed professional skills in broader areas.

All members of the Board of Trustees give their time voluntarily and receive no benefits as Trustee from the charity.

Any expenses reclaimed from the charity are set out in the notes to these accounts under the heading "Trustee Remuneration and expenses". Related party transactions are similarly set out in the notes.

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2025

Risk Management

The trustees and staff team conduct a formal annual review of the major risks to which the charity is exposed. Key risk areas are reviewed regularly at board meetings.

The Ark's procedure for risk assessment is to assess the risk, identify the level of seriousness, the consequence and the mitigating action that can be taken. Detailed procedures are in place to mitigate major risks and they are assessed under the headings of strategic and operational risk.

The Trustees consider that the information they receive, the internal control systems that are established and the regular involvement of the trustees all combine to enable the board to be confident that the major risks to which the charity is exposed are identified and that systems are in place to mitigate those risks to an acceptable level. Appropriate insurance is in place to cover all common risks to both people and assets.

The charity suffered no serious incident in the financial year that required reporting to the Charity Commission.

Safeguarding

The charity provides services to children and therefore Enhanced DBS checks have been obtained for all eligible roles.

Trustee Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statement in accordance with applicable law and regulations.

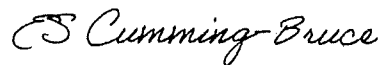
Charity law in England and Wales requires the Trustees to prepare financial statements for each financial year. Under the law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and of the surplus or deficit for that period. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2025

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the governing document. 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.

Approved by the Trustees and signed on their behalf by:



Edward Cumming Bruce

Edward Cumming-Bruce

Trustee

10 March 2026

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts (Continued)
Period Ended 31 July 2025

Independent examiner's report to the trustees of The Ark Pre-School Nursery, Liphook

I report to the trustees on my examination of the accounts of The Ark Pre-School Nursery, Liphook (the CIO) for the year ended 31 July 2025.

Responsibilities and basis of report

As the charity trustees of the CIO 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 CIO'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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the CIO 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:



Matthew Elkins FCA
Knox Cropper LLP
Chartered Accountants
Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey
GU27 2PE

Date:

25/3/2026

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts (Continued)
Period Ended 31 July 2025

Statement of Financial Activities for the Year Ended 31 July 2025

	2025	2024
	Total Funds	Total Funds
	£	£
Income from: (note 2)		
Donations, Grants and Events	2,999	8,821
Charitable Activities	158,256	145,714
Accrued income from HCC	10,219	-
Other trading activities	-	-
Investments	-	-
	<hr/>	<hr/>
Total Income	171,474	154,535
Expenditure on: (note 3)		
Raising Funds	-	-
Charitable Activities	163,220	134,713
Provision for Bad Debt	1,583	-
	<hr/>	<hr/>
Total Expenditure	164,803	134,713
Net Income and Expenditure	6,671	19,822
Reconciliation of Funds:		
Total Funds Brought Forward	73,394	53,572
	<hr/>	<hr/>
Total Funds Carried Forward	80,065	73,394
	<hr/> <hr/>	<hr/> <hr/>

All the activities in the above financial years were derived from continuing operations. The Notes on pages 11-17 form part of these accounts

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts (Continued)
Period Ended 31 July 2025

Balance Sheet as at 31 July 2025

	2025	2024
	£	£
Fixed Assets		
Tangible Fixed Assets (note 8)	-	-
Current Assets		
Debtors (note 9)	3,984	2,682
Cash at Bank	70,419	71,847
Provision for Bad Debt	(1,583)	-
Accrued income from HCC	10,219	-
Liabilities (note 10)		
Due within 1 Year	(2,974)	(1,135)
Due after more than 1 year	-	-
Net Assets	80,065	73,394
Funds of the Charity		
Unrestricted Funds	80,065	73,394
Restricted Funds	-	-
Total Funds	80,065	73,394

The financial statements and notes on pages 11-17 were approved and authorised for issue by the Board of Trustees on 10 March 2026 and signed on its behalf by

Edward Cumming-Bruce

Edward Cumming-Bruce
Trustee

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts (Continued)
Period Ended 31 July 2025

Notes to the Financial Statements

1) Basis of preparation and Policies

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Ark Preschool Nursery meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees have reviewed the charity's financial position, reserves and future plans and consider despite the tough operational circumstances currently being faced there are no foreseeable material uncertainties about the Charity's ability to continue as a going concern and the accounts been prepared on that basis.

Income Recognition

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

Hampshire County Council paid the last instalment of the summer term funding (£10,219) after the financial year end (unlike prior year); this has been reflected in the Statement of Financial Activities and the Balance Sheet.

Grant Recognition

Grants are recognised in full in the statement of financial activities in the year in which the Charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt. No grants were received in FY 2024-25.

Expenditure

Expenditure includes attributable VAT, which cannot be recovered. Expenditure is allocated to the particular activity where the cost relates directly to that activity. Expenditure not directly attributable to one activity will be apportioned on a suitable basis. Since operations commenced costs have only been incurred directly for charitable activities, no costs are associated with raising funds.

Governance costs include the cost of governance arrangements which relate to the general running of the Charity, including strategic planning for its future developments, external audit, any legal advice for the Trustees, and all costs of complying with constitutional and statutory requirements, such as the costs of the Trustee meetings and of preparing the statutory accounts and satisfying public accountability.

Notes to the Financial Statements (Continued)

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Debt instruments are subsequently measured at amortised cost using the effective interest method, subject to materiality.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Tangible Fixed Assets

Asset purchases over £500 are considered for capitalisation.

Assets are depreciated on a straight-line basis over 5 years.

Statement of Cash Flows

As a small charity, no statement of cash flow is required.

Fund structure

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

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 of each fund is included in the notes to the financial statements.

Pensions and other post retirement obligations

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contributions due for service, the excess is recognised as a prepayment.

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts (Continued)
Period Ended 31 July 2025

Notes to the Financial Statements (Continued)

2) Income

Income from Charitable Activities

	2025	2024
	£	£
Provision of childcare sessions	168,475	145,714

The charity is predominantly funded from local authority (Hampshire County Council) Early Years Education Funding (EY550836). Income from HCC for the reporting period was £135,545 (2024: £109,922)

Income from Donations Grants and Legacies

	2025	2024
	£	£
Donations	2,963	2,177
Fundraising Events	36	116
Grants	-	6,528
	2,999	8,821
	2,999	8,821

The highest value donation from an individual was £900. No donations were received from related parties.

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts (Continued)
Period Ended 31 July 2025

Notes to the Financial Statements (Continued)

3) Expenditure on Charitable Activities

	2025	2024
	£	£
Provision of childcare sessions	154,803	134,713
Charitable donations	10,000	-
	<u>164,803</u>	<u>134,713</u>

Breakdown of childcare session expenditure is as follows:

	2025	2024
	£	£
Childcare Staffing costs (note 4)	115,822	99,878
Rent	15,000	15,000
Other Costs	22,398	19,835
Provision for bad debt	1,583	-
	<u>154,803</u>	<u>134,713</u>

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts (Continued)
Period Ended 31 July 2025

Notes to the Financial Statements (Continued)

4) Employees and Remuneration

Aggregate payroll costs were as follows:

	2025	2024
	£	£
Wages and Salaries	112,966	97,965
Social security Costs	753	451
Pension Contributions (note 6)	1,923	1,462
Supply staff	180	-
	<u>115,822</u>	<u>99,878</u>

Social security costs disclosed above are stated net of employment allowance claimed in the periods.

At the end of the reporting period 9 people were permanently employed and 1 person was on a fixed term contract. The monthly average number of persons (including the Heads of Pre-School) employed by the Charity during the year expressed as full time equivalents was 5.1 (2024: 4.5)

Head of pre-school is regarded as the key management personnel. Payments totalling £25,702 plus £584 of employers pension contributions were made to individuals with this job title during the year (2024: £25,363 plus £573). The Head of Preschool was the highest paid employee.

No employee received remuneration of over £60,000 in the year (2024: No employee).

No Trustee received any remuneration during the period for acting in the capacity of a trustee (2024: nil).

Three volunteers carried out charitable activities during the financial year.

5) Trustee Remuneration and Expenses

Trustee payments in the period totalled £nil (2024: £nil). No costs relating to meeting attendance were claimed. Refer also Note 7.

6) Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Charity to the scheme and amounted to £1,923 (2024: £1,462).

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts (Continued)
Period Ended 31 July 2025

Notes to the Financial Statements (Continued)

7) Related Party Transactions

Trustees made no donations to the preschool during the year (2024: £Nil).

Cleone Inglis-Jones, the spouse of a Trustee, Valentine Inglis-Jones, was employed by the Ark during the year, initially as a Pre-School Assistant before becoming acting Deputy Head and eventually Head of Preschool. Total payments made to Cleone in the period were £25,702 plus £584 of employer's pension contributions (2024: £24,360 plus £544). All terms of employment have been approved by the Charity Commission.

The charity paid rental of £15,000 (2022: £15,000) to Bramshott and Liphook PCC during the period for the space from which the playschool operates. The charity made no payments in the period to Bramshott and Liphook PCC (2024: £nil) for ad-hoc hire of additional facilities.

Helen Coleman, a trustee, invoiced the charity £2,729 for SENCO Consultancy Services in the period (2024: £2,874).

8) Fixed Assets

	<u>External Equipment</u>	<u>Other Equipment</u>	<u>Total</u>
	£	£	£
<u>Net Book Value:</u>			
At 31 July 2025	-	-	-

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts (Continued)
Period Ended 31 July 2025

Notes to the Financial Statements (Continued)

9) Debtors

Amounts falling due within one year:

	2025	2024
	£	£
Trade debtors	3,270	1,969
Other Debtors	714	713
	<u>3,984</u>	<u>2,682</u>

10) Creditors

Amounts falling due within 1 Year

	2025	2024
	£	£
Trade Creditors	1,497	84
Pension Creditor	459	1,051
Other Creditors	1,018	-
	<u>2,974</u>	<u>1,135</u>

11) Movement in Funds

	At 01 Aug 2024	Movement In year	At 31 Jul 2025
	£	£	£
Unrestricted Funds	73,394	6,670	80,065
Restricted Funds	-	-	-
	<u>73,394</u>	<u>6,670</u>	<u>80,065</u>

THE ARK PRE-SCHOOL NURSERY, LIPHOOK

England & Wales - Charity number 1168943

Accounts

The Ark Preschool Nursery, Liphook
Trustees Report & Statutory Accounts
Year Ended 31 July 2024

Registered Charity Number: 1168943

The Ark Preschool Nursery, Liphook
Trustees' Annual Report
Year Ended 31 July 2024

Administrative Details

Registered Charity Number: 1168943

Principal office and Address:

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The Church Centre
Portsmouth Road
GU30 7DJ

Other Names used: The Ark

Trustees

The Trustees who served during the period were:

Edward Cumming Bruce

Claire Weller (resigned 12 September 2023)

Valentine Inglis-Jones

Henrietta Paterson

Helen Coleman

Hilton Carr

Alison Jackson (resigned 12 September 2023)

Nicola Parrott (appointed 12 September 2023)

Jacqueline Taylor (appointed 12 September 2023)

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2024

Chair's Statement

After a difficult period in 2022/3 the latest year saw The Ark flourishing again. Under Cleone Inglis-Jones' inspiring and enthusiastic guidance, the team has been rebuilt and much increased numbers of children reflect the fantastic service that The Ark provides the Liphook community. Reports from the nearby primary school to which most of our children move on, confirm the Trustees conviction that The Ark's 'graduates' are better prepared for the next stage of their education than many and that the Pre-School makes a significant positive impact on many young lives.

Our financial position was also much improved and we have been able to rebuild reserves that were depleted during the challenging years before. The trustees were also delighted to be able to make an additional indirect contribution to our wider community by making a significant additional services contribution to the Bramshott and Liphook Church post period end, in recognition of additional costs borne by the church to support the Ark in recent years. It was the Church's vision to start the Ark and it has been a great partner with us over many years as well as a supportive landlord. We are optimistic that by the end of the 2024/5 year free reserves will be approaching a level where the Trustees can consider making grant payments to Support youth provision in the parish.

These achievements do not happen on their own and we are, as ever, indebted to the hard work and commitment of the staff team and many generous volunteers and supporters. We thank them.

Edward Cumming Bruce
Chairman

Objectives & Activities

The stated Objects of the Charity are:

- 1) The Advancement of education for the public benefit by the provision of a preschool nursery in Liphook in accordance with Christian principles; and
- 2) To make grants for charitable purposes.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

Achievements & Performance

Key achievements made in the period were as follows:

- Providing care, education and support to over 50 children in the course of the 2023/24 academic year
- Provision of approximately 70% of pre-school sessions at EYFS rates, providing a key service, free at the point of use, to the local population in an area previously suffering from a shortage of capacity.

The nursery will seek to match or exceed these performance marks during the 2024/25 academic year.

Fundraising

In line with prior years, the Ark undertook fundraising activity with individuals by way of written correspondence. We have not engaged any third parties to fundraise on our behalf during this period. The Ark is not registered with the Fundraising Regulator but is committed to abide by their Fundraising Code of Practice.

Staff and Trustees are aware of, and sensitive to, data protection issues and safeguarding and applies these principles to protect vulnerable donors. Options remain in place to suppress communications to supporters that are flagged as vulnerable.

During 2023/24, The Ark received no fundraising complaints and no suppression requests from the Fundraising Preference service (FPS).

Financial review

Financial Performance

The 2023/24 academic year saw the Ark return to sustainable trading, recognising a surplus of £19,822 (2023: £15,503 deficit). This turnaround was driven primarily by growth in pupil and session numbers, combined reduction in staff costs following a restructure.

Sustainable trading is expected to continue in the following period despite challenges faced in the early years sector.

Financial Position

The balance sheet of the charity has been strengthened by trading performance in the period, with Net Assets growing to £73,394. Liquidity has likewise improved, leaving the charity in a comfortable operating position.

Reserves

The trustees are focussed on ensuring that sufficient free reserves are maintained to ensure the smooth continued operation of the preschool. To determine the necessary level of free reserves for the preschool the trustees have assessed the potential financial impact, adjusted for risk and likelihood, of a range of scenarios in which the reserves of the charity would be utilised. Following this review they have agreed that the Ark's free reserves should be sufficient to cover:

- An income reserve in the event that income fails to achieve budget;
- Short term continuity of service in the event of unforeseen circumstances; and
- Costs of opportunities that may arise which would enable the Ark to further its charitable objectives.

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2024

The trustees have calculated free reserves at 31 July 2024 as follows:

Total Funds at 31 July 2024	£73,394
Less total restricted funds	£ -
Less unrestricted Fixed Assets	£ -
Less other commitments	£ -
Free Reserves at 31 July 2024	<u>£73,394</u>

Free reserves at 31 July 2024 were in line with the minimum requirement identified by the Trustees. In the 2024/25 academic year it is anticipated that these free reserves will grow slightly but remain at the lower end of the required range. As a result, the trustees will continue to seek to manage the finances of the Preschool in such a way that will increase free reserves over the coming years until they have reached the middle of the desired range.

No grants will be awarded by the charity until these desired reserves thresholds are met.

Investment Policy

Taking into account the reserves policy outlined above, the Trustees have decided that to the extent current working capital levels permit, free reserves should be quickly realisable without any risk to their value. All cash funds are therefore to be held in current accounts or interest bearing deposit accounts.

Structure, governance and management

The Ark Preschool is a charitable incorporated organisation located in England and registered with the charity commission. Its governing document is its CIO Foundation Constitution.

Day to day running of the preschool is delegated to the Head of Preschool and her team of staff. The staff team's work is overseen by a board of between 4 and 7 Trustees. The Trustees set overall policy and strategic guidelines for the charity. They agree annual operating plans and financial budgets and monitor outcomes against those plans.

The work of the trustees is carried out via bi-monthly formal board meetings.

Trustees are generally appointed for terms of 3 years and cannot serve more than 3 consecutive terms without a break from office. Recruitment is usually by nomination from Bramshott and Liphook PCC. Up to 5 trustees may be nominated by the PCC. There is also one Ex-Oficio Trustee, being the serving rector of the Parish.

The PCC seeks to recruit trustees who have experience of education or who bring needed professional skills in broader areas.

All members of the Board of Trustees give their time voluntarily and receive no benefits from the charity.

Any expenses reclaimed from the charity are set out in the notes to these accounts under the heading "Trustee Remuneration and expenses". Related party transactions are similarly set out in the notes.

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2024

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by the Trustees and signed on their behalf by:



Edward Cumming Bruce

Edward Cumming-Bruce

Trustee

~~31~~/05/2025

Risk Management

The trustees and staff team conduct a formal annual review of the major risks to which the charity is exposed. Key risk areas are reviewed regularly at board meetings.

The Ark's procedure for risk assessment is to assess the risk, identify the level of seriousness, the consequence and the mitigating action that can be taken. Detailed procedures are in place to mitigate major risks and they are assessed under the headings of strategic and operational risk.

The Trustees consider that the information they receive, the internal control systems that are established and the regular involvement of the trustees all combine to enable the board to be confident that the major risks to which the charity is exposed are identified and that systems are in place to mitigate those risks to an acceptable level. Appropriate insurance is in place to cover all common risks to both people and assets.

Trustee Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statement in accordance with applicable law and regulations.

Charity law in England and Wales requires the Trustees to prepare financial statements for each financial year. Under the law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and group and of the surplus or deficit for that period. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

Independent examiner's report to the trustees of The Ark Pre-School Nursery, Liphook

I report to the trustees on my examination of the accounts of The Ark Pre-School Nursery, Liphook (the CIO) for the year ended 31 July 2024.

Responsibilities and basis of report

As the charity trustees of the CIO 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 CIO'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.

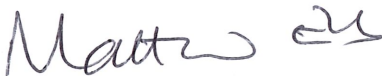
Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the CIO 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:



Matthew Elkins FCA
Knox Cropper LLP
Chartered Accountants
Office Suite 1, Haslemere House
Lower Street
Haslemere
Surrey
GU27 2PE

Date:

23/5/2025

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2024

**Statement of Financial Activities
for the Year Ended 31 July 2024**

	2024	2024	2024	2023
	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
	£	£	£	£
Income from:				
Donations, Grants and Events	2,293	6,528	8,821	1,902
Charitable Activities	145,714	-	145,714	131,280
Total Income	148,007	6,528	154,535	133,183
Expenditure on:				
Raising Funds	-	-	-	-
Charitable Activities	127,149	7,564	134,713	148,686
Total Expenditure	127,149	7,564	134,713	148,686
Net Income and Expenditure	20,858	(1,036)	19,822	(15,503)
Reconciliation of Funds:				
Total Funds Brought Forward	52,536	1,036	53,572	69,075
Total Funds Carried Forward	73,394	-	73,394	53,572

All the activities in the above financial years were derived from continuing operations. The Notes on Pages 11 - 17 form part of these accounts

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2024

Balance Sheet as at 31 July 2024

	2024 £	2023 £
Fixed Assets		
Tangible Fixed Assets (note 8)	-	1,036
Current Assets		
Debtors (note 9)	2,682	1,075
Cash at Bank	71,847	51,881
Liabilities (note 10)		
Due within 1 Year	(1,135)	(420)
Due after more than 1 year	-	-
Net Assets	73,394	53,572
Funds of the Charity		
Unrestricted Funds	73,394	52,536
Restricted Funds	-	1,036
Total Funds	73,394	53,572

The financial statements and notes on pages 11 - 17 were approved and authorised for issue by the Board of Trustees on ~~31~~ May 2025 and signed on its behalf by

Edward Cumming Bruce



Edward Cumming-Bruce
Trustee

Notes to the Financial Statements (Continued)

Notes to the Financial Accounts

1) Basis of preparation and Policies

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Ark Preschool Nursery meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees have reviewed the charity's financial position, reserves and future plans and consider despite the tough operational circumstances currently being faced there are no foreseeable material uncertainties about the Charity's ability to continue as a going concern and the accounts been prepared on that basis.

Income Recognition

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

Grant Recognition

Grants are recognised in full in the statement of financial activities in the year in which the Charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt

Expenditure

Expenditure is accounted for on an accruals basis and includes attributable VAT, which cannot be recovered. Expenditure is allocated to the particular activity where the cost relates directly to that activity. Since operations commenced costs have only been incurred directly for charitable activities, no costs are associated with raising funds.

Governance costs include the cost of governance arrangements which relate to the general running of the Charity, including strategic planning for its future developments, external audit, any legal advice for the Trustees, and all costs of complying with constitutional and statutory requirements, such as the costs of the Trustee meetings and of preparing the statutory accounts and satisfying public accountability. No governance costs have been incurred since operations commenced. In future expenditure not directly attributable to one activity will be apportioned on a suitable basis.

Notes to the Financial Statements (Continued)

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Debt instruments are subsequently measured at amortised cost using the effective interest method, subject to materiality.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Tangible Fixed Assets

Asset purchases over £500 are considered for capitalisation.

Assets are depreciated on a straight-line basis over 5 years.

Statement of Cash Flows

As a small charity, no statement of cash flow is required.

Fund structure

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

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 of each fund is included in the notes to the financial statements.

Pensions and other post retirement obligations

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contributions due for service, the excess is recognised as a prepayment.

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2024

Notes to the Financial Statements (Continued)

2) Income

Income from Donations Grants and Legacies

	2024	2023
	£	£
Donations	2,177	1,902
Fundraising Events	116	-
Grants	6,528	-
	<u>8,821</u>	<u>1,902</u>

Income from Charitable Activities

	2024	2023
	£	£
Provision of childcare sessions	145,714	131,280

3) Expenditure on Charitable Activities

	2024	2023
	£	£
Provision of childcare sessions	134,713	148,686

Breakdown as follows:

	2024	2023
	£	£
Childcare Staffing costs	100,402	120,288
Rent	15,000	15,000
Other Costs	19,311	13,398
	<u>134,713</u>	<u>148,686</u>

Notes to the Financial Statements (Continued)

4) Employees and Remuneration

Aggregate payroll costs were as follows:

	2024	2023
	£	£
Wages and Salaries	97,965	108,915
Social security Costs	451	505
Pension Contributions	1,462	1,772

£nil was spent on agency staff during the period (2023: £9,096).

Social security costs disclosed above are stated net of employment allowance claimed in the periods.

The monthly average number of persons (including the Heads of Pre-School) employed by the Charity during the year expressed as full time equivalents was 4.5 (2023: 5)

Head of pre-school is regarded as the key management personnel. Payments totalling £25,363 plus £573 of employers pension contributions were made to individuals with this job title or equivalent responsibilities during the year (2023: £31,542 plus £759). No Trustee received any remuneration during the period for acting in the capacity of a trustee (2023: nil).

No employee received remuneration of over £60,000 in the year (2023: No employee).

5) Trustee Expenses

Trustee expenses in the period totalled £nil (2023: £nil). No costs relating to meeting attendance were claimed.

In addition, the charity paid £100 (2023: £80) for Trustee indemnity insurance.

6) Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £1,462 (2023: £1,772).

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2024

Notes to the Financial Statements (Continued)

7) Related Party Transactions

Trustees made no donations to the preschool during the year (2023: £Nil).

Cleone Inglis Jones, the spouse of a Trustee, Valentine Inglis Jones, was employed by the Ark during the year, initially as a Pre-School Assistant before becoming acting Deputy Head and eventually Head of Preschool post year end. Total payments made to Cleone in the period were £24,360 plus £544 of employers pension contributions (2023: £15,941 plus £291). All terms of employment have been approved by the Charity Commission.

The charity paid rental of £15,000 (2023: £15,000) to Bramshott and Liphook PCC during the period for the space from which the playschool operates. The charity made no payments in the period to Bramshott and Liphook PCC (2023: £nil) for ad-hoc hire of additional facilities.

Helen Coleman, a Trustee, invoiced the charity £2,874 for SENCO Consultancy Services in the period (2023: £1,393). No payments were made in relation to her performance of her role as a Trustee.

8) Fixed Assets

	<u>External Equipment</u> £	<u>Other Equipment</u> £	<u>Total</u> £
<u>Cost:</u>			
At 01 August 2023	12,430	-	12,430
Additions in period	-	-	-
	12,430	-	12,430
At 31 July 2024	12,430	-	12,430
<u>Depreciation:</u>			
At 01 August 2023	11,394	-	11,394
Charge for year	1,036	-	1,036
	12,430	-	12,430
At 31 July 2024	12,430	-	12,430
<u>Net Book Value:</u>			
At 31 July 2024	-	-	-
	1,036	-	1,036
At 01 August 2023	1,036	-	1,036

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2024

Notes to the Financial Statements (Continued)

9) Debtors

Amounts falling due within one year:

	2024	2023
	£	£
Trade debtors	1,969	764
Other Debtors	713	311
	<u>2,682</u>	<u>1,075</u>

10) Creditors

Amounts falling due within 1 Year

	2024	2023
	£	£
Trade Creditors	84	420
Loan from Related Party	-	-
Pension Creditor	1,051	-
Other Creditors	-	-
	<u>1,135</u>	<u>420</u>

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2024

Notes to the Financial Statements (Continued)

11) Movement in Funds

	At 01 Aug 2023 £	Movement In year £	At 31 Jul 2024 £
Unrestricted Funds	52,536	20,858	73,394
Restricted Funds	1,036	(1,036)	-
	<u>53,572</u>	<u>19,822</u>	<u>73,394</u>
Total Funds	<u><u>53,572</u></u>	<u><u>19,822</u></u>	<u><u>73,394</u></u>

Restricted funds analysis

	2024 £	2023 £
External Play Equipment Fund	1,036	1,036
	<u><u>1,036</u></u>	<u><u>1,036</u></u>

12) Analysis of Net Assets between Funds

2024

	Restricted Funds £	Unrestricted Fund £	Total Funds £
Fixed Assets	-	-	-
Current Assets/Liabilities	-	73,394	73,394
Long term Liabilities	-	-	-
	<u>-</u>	<u>73,394</u>	<u>73,394</u>
Net Assets	<u><u>-</u></u>	<u><u>73,394</u></u>	<u><u>73,394</u></u>

2023

	Restricted Funds £	Unrestricted Fund £	Total Funds £
Fixed Assets	1,036	-	1,036
Current Assets/Liabilities	-	52,536	52,536
Long term Liabilities	-	-	-
	<u>1,036</u>	<u>52,536</u>	<u>53,572</u>
Net Assets	<u><u>1,036</u></u>	<u><u>52,536</u></u>	<u><u>53,572</u></u>

THE ARK PRE-SCHOOL NURSERY, LIPHOOK

England & Wales - Charity number 1168943

Accounts

The Ark Preschool Nursery, Liphook
Trustees Report & Statutory Accounts
Year Ended 31 July 2023

Registered Charity Number: 1168943

The Ark Preschool Nursery, Liphook
Trustees' Annual Report
Year Ended 31 July 2023

Administrative Details

Registered Charity Number: 1168943

Principal office and Address:

The Ark Preschool Nursery, Liphook
The Church Centre
Portsmouth Road
GU30 7DJ

Other Names used: The Ark

Trustees

The Trustees who served during the period were:

Edward Cumming Bruce

Claire Weller (resigned 12 September 2023)

Valentine Inglis-Jones

Henrietta Paterson

Helen Coleman

Hilton Carr

Alison Jackson (resigned 12 September 2023)

Nicola Parrott (appointed 12 September 2023)

Jacqueline Taylor (appointed 12 September 2023)

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2023

Chair's Statement

The 2022/23 academic year was possibly the most challenging in the Ark's relatively short history.

Economic conditions, combined with demographic challenges and acute staff recruitment and availability difficulties left the preschool somewhat battered and this can be seen clearly in the figures for the year presented in this document.

However, the Ark, its amazing staff team and the wonderful families it supports have all weathered the storms faced with remarkable grace and fortitude and I'm pleased to report that, under the leadership of our new Head of Preschool, Cleone Inglis-Jones, the Ark has now emerged into calmer waters, with renewed purpose and vigour.

It remains an unbridled joy to see the difference the playschool continues to make to the lives of local children and families and also the links it has established with the local schools and church..

The Board are incredibly grateful to all who have played a role in ensuring that this remarkable preschool will continue to make a tangible difference in the community for many years to come. Particular thanks must be extended to Bramshott and Liphook PCC for their ongoing steadfast support.

Edward Cumming Bruce
Chairman

Objectives & Activities

The stated Objects of the Charity are:

- 1) The Advancement of education for the public benefit by the provision of a preschool nursery in Liphook in accordance with Christian principles; and
- 2) To make grants for charitable purposes.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

Achievements & Performance

Key achievements made in the period were as follows:

- Providing care, education and support to over 50 children in the course of the 2022/23 academic year
- Provision of approximately 70% of pre-school sessions at EYFS rates, providing a key service, free at the point of use, to the local population in an area previously suffering from a shortage of capacity.

The nursery will seek to match or exceed these performance marks during the 2023/24 academic year.

Fundraising

In line with prior years, the Ark undertook fundraising activity with individuals by way of written correspondence. We have not engaged any third parties to fundraise on our behalf during this period. The Ark is not registered with the Fundraising Regulator but is committed to abide by their Fundraising Code of Practice.

Staff and Trustees are aware of, and sensitive to, data protection issues and safeguarding and applies these principles to protect vulnerable donors. Options remain in place to suppress communications to supporters that are flagged as vulnerable.

During 2022/23, The Ark received no fundraising complaints and no suppression requests from the Fundraising Preference service (FPS).

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2023

Financial review

The 2022/23 academic year was a hugely challenging one for the Ark on many levels, including financially with a significant deficit of £15,503 being reported for the period(2022: Surplus of £1,446).

Demand for places was sluggish owing to demographic factors, strong local competition and an uncertain staffing and leadership picture. Session income therefore fell to £131,280 (2022: £146,417) driven by an underlying decline in session numbers of over 15%.

Voluntary income remained relatively static, totalling £1,902 (2022: £2,074) in the period, of which £nil (2022: £nil) was grant income

High inflation levels for non staff costs, combined with high sickness levels within the staff team and a need to make heavy usage of expensive agency staff support, all saw the overall cost base remain relatively static despite the significant fall in underlying activity, with total costs for the period of £148,686 (2022: £148,952) being reported. Total staffing costs in the period including temporary staff were £120,288 (2022:£121,373), with agency staffing costs of £9,096 (2022 £nil) .

Rent of £15,000 (2022: £15,000) and operational supplies at £3,370 (2022: £5,111) were the most significant other costs incurred.

Fortunately, the reserves position maintained by the Trustees served its purpose and allowed the charity to absorb the financial challenges presented by the year without placing current or future operations under significant threat.

Financial Position

Thanks to the deficit generated in the period, the financial position of the Charity has weakened slightly but remains robust. At the period end the Charity net assets of £53,572 (2022: £69,075). Cash at the bank at 31 July was £51,881 (2022: £69,212).

The 5 Year Interest free Loan of £20,000 received in 2017 from Bramshott and Liphook PCC to provide initial working capital for the Pre-School was repaid in full in accordance with the terms of the loan. At the year end the total balance outstanding on this loan was £nil (2022: £2,869).

Reserves

The trustees are focussed on ensuring that sufficient free reserves are maintained to ensure the smooth continued operation of the preschool. To determine the necessary level of free reserves for the preschool the trustees have assessed the potential financial impact, adjusted for risk and likelihood, of a range of scenarios in which the reserves of the charity would be utilised. Following this review they have agreed that the Ark's free reserves should be sufficient to cover:

- An income reserve in the event that income fails to achieve budget;
- Short term continuity of service in the event of unforeseen circumstances; and
- Costs of opportunities that may arise which would enable the Ark to further its charitable objectives.

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2023

The trustees have calculated free reserves at 31 July 2023 as follows:

Total Funds at 31 July 2023	£53,572
Less total restricted funds	£ (1,036)
Less unrestricted Fixed Assets	£0
Less other commitments	£0
Free Reserves at 31 July 2023	<u>£52,536</u>

Free reserves at 31 July 2023 were in line with the minimum requirement identified by the Trustees. In the 2023/24 academic year it is anticipated that these free reserves will recover slightly but remain at the lower end of the required range. As a result, the trustees will continue to seek to manage the finances of the Preschool in such a way that will increase free reserves over the coming years until they have reached the middle of the desired range.

No grants will be awarded by the charity until these desired reserves thresholds are met.

Investment Policy

Taking into account the reserves policy outlined above, the Trustees have decided that to the extent current working capital levels permit, free reserves should be quickly realisable without any risk to their value. All cash funds are therefore to be held in current accounts or interest bearing deposit accounts.

Structure, governance and management

The Ark Preschool is a charitable incorporated organisation located in England and registered with the charity commission. Its governing document is its CIO Foundation Constitution.

Day to day running of the preschool is delegated to the Head of Preschool and her team of staff. The staff team's work is overseen by a board of between 4 and 7 Trustees. The Trustees set overall policy and strategic guidelines for the charity. They agree annual operating plans and financial budgets and monitor outcomes against those plans.

The work of the trustees is carried out via bi-monthly formal board meetings.

Trustees are generally appointed for terms of 3 years and cannot serve more than 3 consecutive terms without a break from office. Recruitment is usually by nomination from Bramshott and Liphook PCC. Up to 5 trustees may be nominated by the PCC. There is also one Ex-Oficio Trustee, being the serving rector of the Parish.

The PCC seeks to recruit trustees who have experience of education or who bring needed professional skills in broader areas.

All members of the Board of Trustees give their time voluntarily and receive no benefits from the charity.

Any expenses reclaimed from the charity are set out in the notes to these accounts under the heading "Trustee Remuneration and expenses". Related party transactions are similarly set out in the notes.

Risk Management

The trustees and staff team conduct a formal annual review of the major risks to which the charity is exposed. Key risk areas are reviewed regularly at board meetings.

The Ark's procedure for risk assessment is to assess the risk, identify the level of seriousness, the consequence and the mitigating action that can be taken. Detailed procedures are in place to mitigate major risks and they are assessed under the headings of strategic and operational risk.

The Trustees consider that the information they receive, the internal control systems that are established and the regular involvement of the trustees all combine to enable the board to be confident that the major risks to which the charity is exposed are identified and that systems are in place to mitigate those risks to an acceptable level. Risks arising from Covid-19 were identified and addressed via this process. Appropriate insurance is in place to cover all common risks to both people and assets.

Trustee Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statement in accordance with applicable law and regulations.

Charity law in England and Wales requires the Trustees to prepare financial statements for each financial year. Under the law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and group and of the surplus or deficit for that period. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2023

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by the Trustees and signed on their behalf by:

Edward Cumming Bruce

Edward Cumming-Bruce

Trustee

31/05/2024

Independent examiner's report to the trustees of The Ark Pre-School Nursery, Liphook

I report to the trustees on my examination of the accounts of The Ark Pre-School Nursery, Liphook (the CIO) for the year ended 31 July 2023.

Responsibilities and basis of report

As the charity trustees of the CIO 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 CIO'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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the CIO 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: *Thomas Miller*

Name: Thomas Miller

Address: 126 Longmoor Road, Liphook, Hampshire

Date: 31 May 2024

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2023

**Statement of Financial Activities
for the Year Ended 31 July 2023**

	2023 Unrestricted Funds £	2023 Restricted Funds £	2023 Total Funds £	2022 Total Funds £
Income from:				
Donations, Grants and Events	1,902	-	1,902	3,215
Charitable Activities	131,280	-	131,280	146,418
Total Income	133,183	-	133,183	149,633
Expenditure on:				
Raising Funds	-	-	-	-
Charitable Activities	146,200	2,486	148,686	148,952
Total Expenditure	146,200	2,486	148,686	148,952
Net Income and Expenditure	(13,017)	(2,486)	(15,503)	681
Reconciliation of Funds:				
Total Funds Brought Forward	65,553	3,522	69,075	68,394
Total Funds Carried Forward	52,536	1,036	53,572	69,075

All the activities in the above financial years were derived from continuing operations. The Notes on Pages 11 - 17 form part of these accounts

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2023

Balance Sheet as at 31 July 2023

	2023	2022
	£	£
Fixed Assets		
Tangible Fixed Assets (note 8)	1,036	3,522
Current Assets		
Debtors (note 9)	1,075	80
Cash at Bank	51,881	69,212
Liabilities (note 10)		
Due within 1 Year	(420)	(3,739)
Due after more than 1 year	-	-
	<hr/>	<hr/>
Net Assets	53,572	69,075
	<hr/> <hr/>	<hr/> <hr/>
Funds of the Charity		
Unrestricted Funds	52,536	65,553
Restricted Funds	1,036	3,522
	<hr/>	<hr/>
Total Funds	53,572	69,075
	<hr/> <hr/>	<hr/> <hr/>

The financial statements and notes on pages 11 - 17 were approved and authorised for issue by the Board of Trustees on 31 May 2024 and signed on its behalf by

Edward Cumming Bruce

Edward Cumming-Bruce
Trustee

Notes to the Financial Statements (Continued)

Notes to the Financial Accounts

1) Basis of preparation and Policies

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Ark Preschool Nursery meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees have reviewed the charity's financial position, reserves and future plans and consider despite the tough operational circumstances currently being faced there are no foreseeable material uncertainties about the Charity's ability to continue as a going concern and the accounts been prepared on that basis.

Income Recognition

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

Grant Recognition

Grants are recognised in full in the statement of financial activities in the year in which the Charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt

Expenditure

Expenditure is accounted for on an accruals basis and includes attributable VAT, which cannot be recovered. Expenditure is allocated to the particular activity where the cost relates directly to that activity. Since operations commenced costs have only been incurred directly for charitable activities, no costs are associated with raising funds.

Governance costs include the cost of governance arrangements which relate to the general running of the Charity, including strategic planning for its future developments, external audit, any legal advice for the Trustees, and all costs of complying with constitutional and statutory requirements, such as the costs of the Trustee meetings and of preparing the statutory accounts and satisfying public accountability. No governance costs have been incurred since operations commenced. In future expenditure not directly attributable to one activity will be apportioned on a suitable basis.

Notes to the Financial Statements (Continued)

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Debt instruments are subsequently measured at amortised cost using the effective interest method, subject to materiality.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Tangible Fixed Assets

Asset purchases over £500 are considered for capitalisation.

Assets are depreciated on a straight-line basis over 5 years.

Statement of Cash Flows

As a small charity, no statement of cash flow is required.

Fund structure

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

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 of each fund is included in the notes to the financial statements.

Pensions and other post retirement obligations

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contributions due for service, the excess is recognised as a prepayment.

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2023

Notes to the Financial Statements (Continued)

2) Income

Income from Donations Grants and Legacies

	2023	2022
	£	£
Donations	1,902	2,074
Fundraising Events	-	1,141
Grants	-	-
	<u>1,902</u>	<u>3,215</u>

Income from Charitable Activities

	2023	2022
	£	£
Provision of childcare sessions	131,280	146,418

3) Expenditure on Charitable Activities

	2023	2022
	£	£
Provision of childcare sessions	148,686	148,952

Breakdown as follows:

	2023	2022
	£	£
Childcare Staffing costs	120,288	121,373
Rent	15,000	15,000
Other Costs	13,398	12,579
	<u>148,686</u>	<u>148,952</u>

Notes to the Financial Statements (Continued)

4) Employees and Remuneration

Aggregate payroll costs were as follows:

	2023	2022
	£	£
Wages and Salaries	108,915	116,446
Social security Costs	505	3,065
Pension Contributions	1,772	1,862

£9,096 was spent on agency staff during the period (2022: £nil).

Social security costs disclosed above are stated net of employment allowance claimed in the periods.

The monthly average number of persons (including the Heads of Pre-School) employed by the Charity during the year expressed as full time equivalents was 5 (2022: 5.5)

Head of pre-school is regarded as the key management personnel. Payments totalling £31,542 plus £759 of employers pension contributions were made to individuals with this job title during the year (2022: £27,900 plus £650). No Trustee received any remuneration during the period for acting in the capacity of a trustee (2022: nil).

No employee received remuneration of over £60,000 in the year (2022: No employee).

5) Trustee Expenses

Trustee expenses in the period totalled £nil (2022: £21.92). No costs relating to meeting attendance were claimed.

In addition, the charity paid £80 (2022: £75) for Trustee indemnity insurance.

6) Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £1,772 (2022: £1,862).

Notes to the Financial Statements (Continued)

7) Related Party Transactions

Trustees made no donations to the preschool during the year (2022: £Nil).

Cleone Inglis Jones, the spouse of a Trustee, Valentine Inglis Jones, was employed by the Ark during the year, initially as a Pre-School Assistant before becoming acting Deputy Head and eventually Head of Preschool post year end. Total payments made to Cleone in the period were £15,941 plus £291 of employers pension contributions (2022: £9,304 plus £21). All terms of employment have been approved by the Charity Commission.

The charity received a £20,000 interest free loan from Bramshott and Liphook PCC during in 2017. This unsecured loan was repayable over 5 years. At 31 July 2023 the total balance outstanding on the loan was £nil (2022: £2,690). At the year end the Charity was owed £311 (2022: £nil) by Bramshott and Liphook PCC due to late cancellation of the loan repayment standing order.

The charity paid rental of £15,000 (2022: £15,000) to Bramshott and Liphook PCC during the period for the space from which the playschool operates. The charity made no payments in the period to Bramshott and Liphook PCC (2022: £nil) for ad-hoc hire of additional facilities.

Helen Coleman invoiced the charity £1,393 for SENCO Consultancy Services in the period (2022: nil).

8) Fixed Assets

	<u>External Equipment</u> £	<u>Other Equipment</u> £	<u>Total</u> £
<u>Cost:</u>			
At 01 August 2022	12,430	-	12,430
Additions in period	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 July 2023	12,430	-	12,430
<u>Depreciation:</u>			
At 01 August 2022	8,908	-	8,908
Charge for year	2,486	-	2,486
	<hr/>	<hr/>	<hr/>
At 31 July 2023	11,394	-	11,394
<u>Net Book Value:</u>			
At 31 July 2023	1,036	-	1,036
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 01 August 2022	3,522	-	3,522

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2023

Notes to the Financial Statements (Continued)

9) Debtors

Amounts falling due within one year:

	2023	2022
	£	£
Trade debtors	764	80
Other Debtors	311	-
	<u>1,075</u>	<u>80</u>

10) Creditors

Amounts falling due within 1 Year

	2023	2022
	£	£
Trade Creditors	420	452
Loan from Related Party	-	2,690
Pension Creditor	-	589
Other Creditors	-	8
	<u>420</u>	<u>3,739</u>

Amounts falling due in more than 1 year

	2023	2022
	£	£
Loan from related Party	-	-

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2023

Notes to the Financial Statements (Continued)

11) Movement in Funds

	At 01 Aug 2022 £	Movement In year £	At 31 Jul 2023 £
Unrestricted Funds	65,553	(13,017)	52,536
Restricted Funds	3,522	(2,486)	1,036
	<u>69,075</u>	<u>(15,503)</u>	<u>53,572</u>

Restricted funds analysis

	2023 £	2022 £
External Play Equipment Fund	1,036	3,522
	<u>1,036</u>	<u>3,522</u>

12) Analysis of Net Assets between Funds

2023

	Restricted Funds £	Unrestricted Fund £	Total Funds £
Fixed Assets	1,036	-	1,036
Current Assets/Liabilities	-	52,536	52,536
Long term Liabilities	-	-	-
	<u>1,036</u>	<u>52,536</u>	<u>53,572</u>

2022

	Restricted Funds £	Unrestricted Fund £	Total Funds £
Fixed Assets	3,522	-	3,522
Current Assets/Liabilities	-	65,533	65,533
Long term Liabilities	-	-	-
	<u>3,522</u>	<u>65,533</u>	<u>69,075</u>

THE ARK PRE-SCHOOL NURSERY, LIPHOOK

England & Wales - Charity number 1168943

Accounts

The Ark Preschool Nursery, Liphook
Trustees Report & Statutory Accounts
Year Ended 31 July 2022

Registered Charity Number: 1168943

The Ark Preschool Nursery, Liphook
Trustees' Annual Report
Year Ended 31 July 2022

Administrative Details

Registered Charity Number: 1168943

Principal office and Address:

The Ark Preschool Nursery, Liphook
The Church Centre
Portsmouth Road
GU30 7DJ

Other Names used: The Ark

Trustees

The Trustees who served during the period were:

Edward Cumming Bruce

Claire Weller

Valentine Inglis-Jones

Henrietta Paterson

Helen Coleman

Hilton Carr

Alison Jackson

Chair's Statement

The Ark has again fulfilled its mission to provide the best possible support to families in its catchment in an increasingly challenging environment. The disruption of the pandemic years has been replaced by increasing financial pressures-both on the families we work with and our own revenues as government support for childcare has failed to keep pace with the increasing costs of provision. This has been reflected in well publicised wholesale closures across the country and increasing challenges in recruiting and retaining staff.

Against this background it is very pleasing that we maintained the quality of the service we provide and achieved a financial breakeven. The staff team, ably led by Lillian Zwarts, have continued to make real impacts in the lives of many children. The Trustees are full of gratitude and respect for their unremitting dedication and enthusiasm.

The Ark receives much additional support from a team of volunteers and the PCC and congregations of Bramshott and Liphook parish, for whose support and prayers we are hugely indebted and grateful.

Edward Cumming Bruce
Chairman

Objectives & Activities

The stated Objects of the Charity are:

- 1) The Advancement of education for the public benefit by the provision of a preschool nursery in Liphook in accordance with Christian principles; and
- 2) To make grants for charitable purposes.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

Achievements & Performance

Key achievements made in the period were as follows:

- Providing care, education and support to over 60 children in the course of the 2021/22 academic year
- Provision of approximately 70% of pre-school sessions at EYFS rates, providing a key service, free at the point of use, to the local population in an area previously suffering from a shortage of capacity.
- Remaining open throughout the academic year in the face of huge disruption, ensuring the availability of our essential service.

Fundraising

During 2021/22, fundraising activities were adjusted to respond to the realities of working within post pandemic economic environment. This saw families of Children attending the Ark asked to consider making an additional voluntary contribution each term to assist to meeting operational costs.

In line with prior years, the Ark undertook fundraising activity with individuals by way of written correspondence. We have not engaged any third parties to fundraise on our behalf during this period. The Ark is not registered with the Fundraising Regulator but is committed to abide by their Fundraising Code of Practice.

Staff and Trustees are aware of, and sensitive to, data protection issues and safeguarding and applies these principles to protect vulnerable donors. Options remain in place to suppress communications to supporters that are flagged as vulnerable.

During 2021/22, The Ark received no fundraising complaints and no suppression requests from the Fundraising Preference service (FPS).

Financial review

The year ended 31 July 2022 covered the sixth academic year of the Ark and was another that took place in the aftermath of COVID 19. Pleasingly, the preschool was again able to open throughout this academic year to all children on our roster. However the lingering presence of COVID over the winter months, combined with other staffing and cost challenges, ensured this was only achieved through significant additional operational complication and cost burdens.

Despite these difficulties, thanks to continued tight control of expenditure the preschool was again able to continue running sustainably for the entirety of the year, building on the success of the prior periods.

Financial performance was therefore pleasing with a surplus of £681 being recorded (2021: £10.5k surplus).

Income from funded and unfunded sessions in the year was £146,418 (2021:£132,685) with just under 70% of this total coming via funded sessions. This 70% target continued to prove a financially sustainable attendance mix, one with significant public benefit implications. The trustees therefore wish to preserve the session mix within +/- 10% for as long as possible, however it must be noted that, with cost inflation running significantly ahead of uplifts in EYFS rates, this will become more challenging to maintain in the coming periods.

The Ark was approximately 85% full during the year based on floor space capacity. A decline in session numbers has been seen in 2022/23 and, given demographic challenges, it is deemed unlikely that additional capacity will be required in the coming years. The trustees will however continue to actively monitor session capacity requirements.

Voluntary income totalled £2,074 (2021: £22) of which £nil (2021: £nil) was general grant income. No grants under the government's Job Retention Scheme were received in the period (2021: £2,834).

Total expenditure increased in line with childcare activity and inflation to £146,466 (2021: £122,597). Total staffing costs in the period including temporary staff were £121,373 (2021:£96,410), the growth being reflective of increased session numbers and unusually high rates of sick leave amongst the staff team. Rent of £15,000 (2021: £14,750) and operational supplies at £5,111 (2021: £4,802) were the most significant other costs incurred.

Financial Position

Thanks to the small surplus generated in the period, the financial position of the Charity remained broadly static and Robust. At the period end the

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2022

Charity net assets of £69,075 (2021: £68,394). Cash at the bank at 31 July was £69,212 (2021: £69,347).

The 5 Year Interest free Loan of £20,000 received in 2017 from Bramshott and Liphook PCC to provide initial working capital for the Pre-School continued to be repaid in accordance with the terms of the loan. At the year end the total balance outstanding on this loan was £2,689 (2021: £6,686).

Reserves

The trustees are focussed on ensuring that sufficient free reserves are maintained to ensure the smooth continued operation of the preschool. To determine the necessary level of free reserves for the preschool the trustees have assessed the potential financial impact, adjusted for risk and likelihood, of a range of scenarios in which the reserves of the charity would be utilised. Following this review they have agreed that the Ark's free reserves should be sufficient to cover:

- An income reserve in the event that income fails to achieve budget;
- Short term continuity of service in the event of unforeseen circumstances; and
- Costs of opportunities that may arise which would enable the Ark to further its charitable objectives.

The trustees have calculated free reserves at 31 July 2022 as follows:

Total Funds at 31 July 2022	£69,075
Less total restricted funds	£ (3,522)
Less unrestricted Fixed Assets	£0
Less other commitments	£0
Free Reserves at 31 July 2022	£ 65,553

Free reserves at 31 July 2022 were in line with the minimum requirement identified by the Trustees. In the 2022/23 academic year it is anticipated that these free reserves will be drawn down owing to operational challenges currently being faced. As a result, the trustees will continue to seek to manage the finances of the Preschool in such a way that will increase free reserves over the coming years until they have reached middle of the desired range.

No grants will be awarded by the charity until these desired reserves thresholds are met.

Investment Policy

Taking into account the reserves policy outlined above, the Trustees have decided that to the extent current working capital levels permit, free reserves should be quickly realisable without any risk to their value. All cash funds are therefore to be held in current accounts or interest bearing deposit accounts.

Structure, governance and management

The Ark Preschool is a charitable incorporated organisation located in England and registered with the charity commission. Its governing document is its CIO Foundation Constitution.

Day to day running of the preschool is delegated to the Heads of Preschool and their team of staff. The staff team's work is overseen by a board of between 4 and 7 Trustees. The Trustees set overall policy and strategic guidelines for the charity. They agree annual operating plans and financial budgets and monitor outcomes against those plans.

The work of the trustees is carried out via bi-monthly formal board meetings.

Trustees are generally appointed for terms of 3 years and cannot serve more than 3 consecutive terms without a break from office. Recruitment is usually by nomination from Bramshott and Liphook PCC. Up to 5 trustees may be nominated by the PCC. There is also one Ex-Oficio Trustee, being the serving rector of the Parish.

The PCC seeks to recruit trustees who have experience of education or who bring needed professional skills in broader areas.

All members of the Board of Trustees give their time voluntarily and receive no benefits from the charity.

Any expenses reclaimed from the charity are set out in the notes to these accounts under the heading "Trustee Remuneration and expenses". Related party transactions are similarly set out in the notes.

Risk Management

The trustees and staff team conduct a formal annual review of the major risks to which the charity is exposed. Key risk areas are reviewed regularly at board meetings.

The Ark's procedure for risk assessment is to assess the risk, identify the level of seriousness, the consequence and the mitigating action that can be taken. Detailed procedures are in place to mitigate major risks and they are assessed under the headings of strategic and operational risk.

The Trustees consider that the information they receive, the internal control systems that are established and the regular involvement of the trustees all combine to enable the board to be confident that the major risks to which the charity is exposed are identified and that systems are in place to mitigate those risks to an acceptable level. Risks arising from Covid-19 were identified and addressed via this process. Appropriate insurance is in place to cover all common risks to both people and assets.

Trustee Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statement in accordance with applicable law and regulations.

Charity law in England and Wales requires the Trustees to prepare financial statements for each financial year. Under the law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and group and of the surplus or deficit for that period. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by the Trustees and signed on their behalf by:

Edward Cumming Bruce

Edward Cumming-Bruce

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2022

Trustee
31/05/2023

Independent examiner's report to the trustees of The Ark Pre-School Nursery, Liphook

I report to the trustees on my examination of the accounts of The Ark Pre-School Nursery, Liphook (the CIO) for the year ended 31 July 2022.

Responsibilities and basis of report

As the charity trustees of the CIO 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 CIO'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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the CIO 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: Thomas Miller

Name: Thomas Miller

Address: Flat 20 Levett House, Holman Drive, Southall, UB2 4FT

Date: 31 May 2023

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2022

**Statement of Financial Activities
for the Year Ended 31 July 2022**

	2022 Unrestricted Funds £	2022 Restricted Funds £	2022 Total Funds £	2021 Total Funds £
Income from:				
Donations, Grants and Events	3,215	-	3,215	22
Job Retention Scheme Income	-	-	-	2,843
Charitable Activities	146,418	-	146,418	132,865
Total Income	149,633	-	149,633	135,730
Expenditure on:				
Raising Funds	-	-	-	-
Charitable Activities	146,466	2,486	148,952	125,083
Total Expenditure	146,466	2,486	148,952	125,083
Net Income and Expenditure	3,167	(2,486)	681	10,647
Reconciliation of Funds:				
Total Funds Brought Forward	62,386	6,008	68,394	57,747
Total Funds Carried Forward	65,553	3,522	69,075	68,394
	=====	=====	=====	=====
	=====	=====	=====	=====

All the activities in the above financial years were derived from continuing operations. The Notes on Pages 11 - 17 form part of these accounts

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2022

Balance Sheet as at 31 July 2022

	2022	2021
	£	£
Fixed Assets		
Tangible Fixed Assets (note 8)	3,522	6,008
Current Assets		
Debtors (note 9)	80	381
Cash at Bank	69,212	69,347
Liabilities (note 10)		
Due within 1 Year	(3,739)	(4,652)
Due after more than 1 year	-	(2,690)
	-----	-----
Net Assets	69,075	68,394
	=====	=====
	=====	=====
Funds of the Charity		
Unrestricted Funds	65,553	62,386
Restricted Funds	3,522	6,008
	-----	-----
Total Funds	69,075	68,394
	=====	=====
	=====	=====

The financial statements and notes on pages 11 - 17 were approved and authorised for issue by the Board of Trustees on 31 May 2023 and signed on its behalf by

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2022

Edward Cumming Bruce

Edward Cumming-Bruce
Trustee

Notes to the Financial Statements (Continued)

Notes to the Financial Accounts

1) Basis of preparation and Policies

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Ark Preschool Nursery meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The trustees have reviewed the charity's financial position, reserves and future plans and consider despite the tough operational circumstances currently being faced there are no foreseeable material uncertainties about the Charity's ability to continue as a going concern and the accounts been prepared on that basis.

Income Recognition

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

Grant Recognition

Grants are recognised in full in the statement of financial activities in the year in which the Charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt

Expenditure

Expenditure is accounted for on an accruals basis and includes attributable VAT, which cannot be recovered. Expenditure is allocated to the particular activity where the cost relates directly to that activity. Since operations commenced costs have only been incurred directly for charitable activities, no costs are associated with raising funds.

Governance costs include the cost of governance arrangements which relate to the general running of the Charity, including strategic planning for its future developments, external audit, any legal advice for the Trustees, and all costs of complying with constitutional and statutory requirements, such as the costs of the Trustee meetings and of preparing the statutory accounts and satisfying public accountability. No governance costs have been incurred since operations commenced. In future expenditure not directly attributable to one activity will be apportioned on a suitable basis.

Notes to the Financial Statements (Continued)

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Debt instruments are subsequently measured at amortised cost using the effective interest method, subject to materiality.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Tangible Fixed Assets

Asset purchases over £500 are considered for capitalisation.

Assets are depreciated on a straight-line basis over 5 years.

Statement of Cash Flows

As a small charity, no statement of cash flow is required.

Fund structure

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

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 of each fund is included in the notes to the financial statements.

Pensions and other post retirement obligations

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contributions due for service, the excess is recognised as a prepayment.

Notes to the Financial Statements (Continued)

2) Income

Income from Donations Grants and Legacies

	2022	2021
	£	£
Donations	2,074	22
Fundraising Events	1,141	-
Grants	-	-
	<u>3,215</u>	<u>22</u>
	=====	=====

Income from Charitable Activities

	2022	2021
	£	£
Provision of childcare sessions	146,418	132,865

3) Expenditure on Charitable Activities

	2022	2021
	£	£
Provision of childcare sessions	148,952	125,083

Breakdown as follows:

	2022	2021
	£	£
Childcare Staffing costs	121,373	96,410
Rent	15,000	14,750
Other Costs	12,579	13,923
	<u>148,952</u>	<u>125,083</u>
	=====	=====

Notes to the Financial Statements (Continued)

4) Employees and Remuneration

Aggregate payroll costs were as follows:

	2022	2021
	£	£
Wages and Salaries	116,446	95,005
Social security Costs	3,065	-
Pension Contributions	1,862	1,405

No funds were spent on spent on agency staff during the period (2021: £nil).

Social security costs disclosed above are stated net of employment allowance claimed in the periods.

The monthly average number of persons (including the Heads of Pre-School) employed by the Charity during the year expressed as full time equivalents was 5.5 (2021: 4.5)

Heads of pre-school are regarded as the key management personnel. Payments totalling £27,900 were made to individuals with this job title during the year (2021: £27,056). No Trustee received any remuneration during the period for acting in the capacity of a trustee (2021: nil).

No employee received remuneration of over £60,000 in the year (2021: No employee).

5) Trustee Expenses

Trustee expenses in the period totalled £21.92 (2021: £Nil). No costs relating to meeting attendance were claimed.

In addition, the charity paid £75 (2021: £75) for Trustee indemnity insurance.

6) Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £1,862 (2021: £1,405).

Notes to the Financial Statements (Continued)

7) Related Party Transactions

Trustees made no donations to the preschool during the year (2021: £Nil).

Cleone Inglis Jones, the spouse of a Trustee, Valentine Inglis Jones, was employed by the Ark during the year as a Pre-School Assistant. Total payments made to Cleone in the period were £9,304 (2021: £6,808). All terms of employment were identical to non-related parties employed in the same role.

The charity received a £20,000 interest free loan from Bramshott and Liphook PCC during in 2017. This unsecured loan is repayable over 5 years. At 31 July 2022 the total balance outstanding on the loan was £2,690 (2021: £6,686).

The charity paid rental of £15,000 (2021: £14,750) to Bramshott and Liphook PCC during the period for the space from which the playschool operates. The charity made no payments in the period to Bramshott and Liphook PCC (2021: £140) for ad-hoc hire of additional facilities.

8) Fixed Assets

	<u>External Equipme nt</u>	<u>Other Equipme nt</u>	<u>Total</u>
	£	£	£
<u>Cost:</u>			
At 01 August 2021	12,430	-	12,430
Additions in period	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 July 2022	12,430	-	12,430
<u>Depreciation:</u>			
At 01 August 2021	6,422	-	6,422
Charge for year	2,486	-	2,486
	<hr/>	<hr/>	<hr/>
At 31 July 2022	8,908	-	8,908
<u>Net Book Value:</u>			
At 31 July 2022	3,522	-	3,522
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 01 August 2021	6,007	-	6,007
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	=	=	=

Notes to the Financial Statements (Continued)

9) Debtors

Amounts falling due within one year:

	2022	2021
	£	£
Trade debtors	80	381
Other Debtors	-	-
	<u>80</u>	<u>381</u>
	=====	=====

10) Creditors

Amounts falling due within 1 Year

	2022	2021
	£	£
Trade Creditors	452	62
Loan from Related Party	2,690	3,996
Pension Creditor	589	594
Other Creditors	8	-
	<u>3,739</u>	<u>4,652</u>
	=====	=====

Amounts falling due in more than 1 year

	2022	2021
	£	£
Loan from related Party	-	2,690

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2022

Notes to the Financial Statements (Continued)

11) Movement in Funds

	At 01 Aug 2021	Movement In year	At 31 Jul 2022
	£	£	£
Unrestricted Funds	62,386	3,167	65,533
Restricted Funds	6,008	(2,486)	3,522
	<hr/>	<hr/>	<hr/>
Total Funds	68,394	681	69,075
	=====	=====	=====
	==	==	===

Restricted funds analysis

	2022	2021
	£	£
External Play Equipment Fund		3,522
6,008		
		<hr/>
		=====
		==

12) Analysis of Net Assets between Funds

2022

	Restricted Funds	Unrestrict ed Fund	Total Funds
	£	£	£
Fixed Assets	3,522	-	3,522
Current Assets/Liabilities	-	65,533	65,533
Long term Liabilities	-	-	-
	<hr/>	<hr/>	<hr/>
Net Assets	3,522	65,533	69,075
	=====	=====	=====
	==	==	===

2021

	Restricted Funds	Unrestrict ed Fund	Total Funds
	£	£	£
Fixed Assets	6,008	-	6,008
Current Assets/Liabilities	-	65,076	65,076
Long term Liabilities	-	(2,690)	(2,690)
	<hr/>	<hr/>	<hr/>
Net Assets	6,008	62,386	68,394
	=====	=====	=====
	==	==	=====

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2022

Notes to the Financial Statements (Continued)

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THE ARK PRE-SCHOOL NURSERY, LIPHOOK

England & Wales - Charity number 1168943

Accounts

The Ark Preschool Nursery, Liphook
Trustees Report & Statutory Accounts
Year Ended 31 July 2021

Registered Charity Number: 1168943

The Ark Preschool Nursery, Liphook
Trustees' Annual Report
Year Ended 31 July 2021

Administrative Details

Registered Charity Number: 1168943

Principal office and Address:

The Ark Preschool Nursery, Liphook
The Church Centre
Portsmouth Road
GU30 7DJ

Other Names used: The Ark

Trustees

The Trustees who served during the period were:

Edward Cumming Bruce

Claire Weller

Valentine Inglis-Jones

Henrietta Paterson

Helen Jackson (resigned 20 March 2021)

Helen Coleman

Hilton Carr

Alison Jackson (appointed 12 May 2021)

Chair's Statement

After the tumultuous pandemic period covered by the previous Annual Report and Accounts, it had been hoped that the 2020/2021 academic year would prove less disrupted. As it turned out, this hope was only partially realised.

Covid-19 continued to be a factor throughout, placing significant additional operational burdens as the nursery strived to stay open and safe for the families we serve. Isolated positive covid tests amongst staff members placed enormous strain on the unaffected team members but remarkably we were able to keep the facility open and available throughout the year.

The year covered by these accounts was also one of sad farewell's and new beginnings. In January 2021 we bid a farewell to Alison Jackson, who stood down after three hugely successful years as our Co-Head, years which included the award of an outstanding rating from Ofsted. This change necessitated a rejig of our management structure and we were fortunate to be joined by Lillian Zwarts as new sole Head. Lillian joined us with a wealth of experience in early years development and has already put her mark on the preschool.

It is hugely pleasing to be able to report that, in the face of ongoing challenge and change the charity was once again able to steer a stable financial and operational course. Even more importantly the Ark continues to be a place of unrelenting joy, full of amazing children and staff. The Trustee Board could not be prouder of them.

Throughout all the trials and tribulations we have once again benefitted from the support of Bramshott and Liphook PCC and its congregants, for which we remain eternally grateful. Above all else however, we have been ever conscious of God's unending faithfulness, something we become more aware of as the Ark safely rides out each fresh challenge.

Edward Cumming Bruce

Chairman

Objectives & Activities

The stated Objects of the Charity are:

- 1) The Advancement of education for the public benefit by the provision of a preschool nursery in Liphook in accordance with Christian principles; and
- 2) To make grants for charitable purposes.

The Trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Commission in determining the activities undertaken by the Charity.

Achievements & Performance

Key achievements made in the period were as follows:

- Providing care, education and support to over 50 children in the course of the 2020/21 academic year
- Provision of approximately 70% of pre-school sessions at EYFS rates, providing a key service, free at the point of use, to the local population in an area previously suffering from a shortage of capacity.
- Remaining open throughout the academic year in the face of huge disruption, ensuring the availability of our essential service.

Financial review

The year ended 31 July 2021 covered the fifth academic year of the Ark and was another that took place under the shadow of COVID 19. Pleasingly, the preschool was able to open throughout this academic year to all children on our roster. However COVID ensured this was only achieved through significant additional operational complication and cost burdens some of which can be plainly seen within the figures reported.

Despite these difficulties, thanks to continued tight control of expenditure, and the provision of government financial support via the Job retention scheme, the preschool was again able to continue running sustainably for the entirety of the year, building on the success of the prior periods.

Financial performance was therefore pleasing with a surplus of £10.5k being recorded (2020: £27.5k surplus).

Income from funded and unfunded sessions in the year was £132,865 (2020:£120,772) with just under 70% of this total coming via funded sessions. This 70% target continues to prove a financially sustainable attendance mix, one with significant public benefit implications. The trustees therefore wish to preserve the session mix within +/- 10%.

The Ark was approximately 80% full during the year based on floor space capacity. Further minor increases have been seen post year end and the Trustees continue to actively assess options for increasing session capacity.

Voluntary income totalled £22 (2020: £2,203) of which £nil (2020: £nil) was general grant income. Income for the year was however once again bolstered by receipts from the government's Job Retention Scheme, with income from this source totalling £2,843 (2020: £5,687).

Total expenditure increased in line with childcare activity to £122,597 (2020: 101,006). Total staffing costs in the period including temporary staff were £96,410 (2020:£76,526), the growth being reflective of increased session numbers and unusually high rates of sick leave due to COVID 19 isolation periods amongst the staff team. Rent of £14,750 (2020: £11,500) and operational supplies at £4,802 (2020: £5,167) were the most significant other costs incurred.

Financial Position

Thanks to the surplus generated in the period, the financial position of the Charity once again improved slightly during the year. At the period end the Charity had almost completed building the desired firm financial foundations, with net assets of £68,394 (2020: £57,747) and continued improvements to cash flow and liquidity. Cash at the bank at 31 July was £69,347 (2020: £58,407).

The 5 Year Interest free Loan of £20,000 received in 2017 from Bramshott and Liphook PCC to provide initial working capital for the Pre-School continued to be repaid in accordance with the terms of the loan. At the year end the total balance outstanding on this loan was £6,686 (2020: £10,682).

Reserves

The trustees are focussed on ensuring that sufficient free reserves are maintained to ensure the smooth continued operation of the preschool. To determine the necessary level of free reserves for the preschool the trustees have assessed the potential financial impact, adjusted for risk and likelihood, of a range of scenarios in which the reserves of the charity would be utilised. Following this review they have agreed that the Ark's free reserves should be sufficient to cover:

- An income reserve in the event that income fails to achieve budget;
- Short term continuity of service in the event of unforeseen circumstances; and
- Costs of opportunities that may arise which would enable the Ark to further its charitable objectives.

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2021

The trustees have calculated free reserves at 31 July 2021 as follows:

Total Funds at 31 July 2021	£68,394
Less total restricted funds	£ (6,008)
Less unrestricted Fixed Assets	£0
Less other commitments	£0
Free Reserves at 31 July 2021	<u>£62,396</u>

Free reserves at 31 July 2021 were in line with the minimum requirement identified by the Trustees. As a result, the Trustees will continue to seek to manage the finances of the Preschool in such a way that will increase free reserves over the coming years until they have reached middle of the desired range.

No grants will be awarded by the charity until these desired reserves thresholds are met.

Investment Policy

Taking into account the reserves policy outlined above, the Trustees have decided that to the extent current working capital levels permit, free reserves should be quickly realisable without any risk to their value. All cash funds are therefore to be held in current accounts or interest bearing deposit accounts.

Structure, governance and management

The Ark Preschool is a charitable incorporated organisation located in England and registered with the charity commission. Its governing document is its CIO Foundation Constitution.

Day to day running of the preschool is delegated to the Heads of Preschool and their team of staff. The staff team's work is overseen by a board of between 4 and 7 Trustees. The Trustees set overall policy and strategic guidelines for the charity. They agree annual operating plans and financial budgets and monitor outcomes against those plans.

The work of the trustees is carried out via bi-monthly formal board meetings.

Trustees are generally appointed for terms of 3 years and cannot serve more than 3 consecutive terms without a break from office. Recruitment is usually by nomination from Bramshott and Liphook PCC. Up to 5 trustees may be nominated by the PCC. There is also one Ex-Oficio Trustee, being the serving rector of the Parish.

The PCC seeks to recruit trustees who have experience of education or who bring needed professional skills in broader areas.

All members of the Board of Trustees give their time voluntarily and receive no benefits from the charity.

Any expenses reclaimed from the charity are set out in the notes to these accounts under the heading "Trustee Remuneration and expenses". Related party transactions are similarly set out in the notes.

Risk Management

The trustees and staff team conduct a formal annual review of the major risks to which the charity is exposed. Key risk areas are reviewed regularly at board meetings.

The Ark's procedure for risk assessment is to assess the risk, identify the level of seriousness, the consequence and the mitigating action that can be taken. Detailed procedures are in place to mitigate major risks and they are assessed under the headings of strategic and operational risk.

The Trustees consider that the information they receive, the internal control systems that are established and the regular involvement of the trustees all combine to enable the board to be confident that the major risks to which the charity is exposed are identified and that systems are in place to mitigate those risks to an acceptable level. Risks arising from Covid-19 were identified and addressed via this process. Appropriate insurance is in place to cover all common risks to both people and assets.

Trustee Responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statement in accordance with applicable law and regulations.

Charity law in England and Wales requires the Trustees to prepare financial statements for each financial year. Under the law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the charity and group and of the surplus or deficit for that period. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- follow applicable accounting standards, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Ark Preschool Nursery, Liphook
Trustees' Annual Report (Continued)
Year Ended 31 July 2021

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Charity and group and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Approved by the Trustees and signed on their behalf by:

Edward Cumming Bruce

Edward Cumming-Bruce

Trustee

29/05/2022

Independent examiner's report to the trustees of The Ark Pre-School Nursery, Liphook

I report to the trustees on my examination of the accounts of The Ark Pre-School Nursery, Liphook (the CIO) for the year ended 31 July 2021.

Responsibilities and basis of report

As the charity trustees of the CIO 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 CIO'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 giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the CIO 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: Kealan Williams

Address: 20 Paddock Way, Liphook, Hampshire, GU30 7PY

Date: 29 May 2022

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2021

**Statement of Financial Activities
for the Year Ended 31 July 2021**

	2021 Unrestricted Funds £	2021 Restricted Funds £	2021 Total Funds £	2020 Total Funds £
Income from:				
Donations, Grants and Events	22	-	22	2,203
Job Retention Scheme Income	2,843	-	2,843	5,687
Charitable Activities	132,865	-	132,865	120,772
Total Income	135,730	-	135,730	128,662
Expenditure on:				
Raising Funds	-	-	-	-
Charitable Activities	122,597	2,486	125,083	101,006
Total Expenditure	122,597	2,486	125,083	101,006
Net Income and Expenditure	13,133	(2,486)	10,647	27,656
Reconciliation of Funds:				
Total Funds Brought Forward	49,253	8,494	57,747	30,091
Total Funds Carried Forward	62,386	6,008	68,394	57,747

All the activities in the above financial years were derived from continuing operations. The Notes on Pages 11 - 17 form part of these accounts

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2021

Balance Sheet as at 31 July 2020

	2021	2020
	£	£
Fixed Assets		
Tangible Fixed Assets (note 8)	6,008	8,494
Current Assets		
Debtors (note 9)	381	1,540
Cash at Bank	69,347	58,401
Liabilities (note 10)		
Due within 1 Year	4,652	4,002
Due after more than 1 year	2,690	6,686
	68,394	57,747
Net Assets	68,394	57,747
Funds of the Charity		
Unrestricted Funds	62,386	49,253
Restricted Funds	6,008	8,494
	68,394	57,747
Total Funds	68,394	57,747

The financial statements and notes on pages 11 - 17 were approved and authorised for issue by the Board of Trustees on 29 May 2022 and signed on its behalf by

Edward Cumming Bruce

Edward Cumming-Bruce
Trustee

Notes to the Financial Statements (Continued)

Notes to the Financial Accounts

1) Basis of preparation and Policies

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

The Ark Preschool Nursery meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

There are no material uncertainties over the charity's going concern status and the accounts have been prepared on that basis.

Income Recognition

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

Grant Recognition

Grants are recognised in full in the statement of financial activities in the year in which the Charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt

Expenditure

Expenditure is accounted for on an accruals basis and includes attributable VAT, which cannot be recovered. Expenditure is allocated to the particular activity where the cost relates directly to that activity. Since operations commenced costs have only been incurred directly for charitable activities, no costs are associated with raising funds.

Governance costs include the cost of governance arrangements which relate to the general running of the Charity, including strategic planning for its future developments, external audit, any legal advice for the Trustees, and all costs of complying with constitutional and statutory requirements, such as the costs of the Trustee meetings and of preparing the statutory accounts and satisfying public accountability. No governance costs have been incurred since operations commenced. In future expenditure not directly attributable to one activity will be apportioned on a suitable basis.

Financial Instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Notes to the Financial Statements (Continued)

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Debt instruments are subsequently measured at amortised cost using the effective interest method, subject to materiality.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Tangible Fixed Assets

Asset purchases over £500 are considered for capitalisation.

Assets are depreciated on a straight-line basis over 5 years.

Statement of Cash Flows

As a small charity, no statement of cash flow is required.

Fund structure

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

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 of each fund is included in the notes to the financial statements.

Pensions and other post retirement obligations

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contributions due for service, the excess is recognised as a prepayment.

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2021

Notes to the Financial Statements (Continued)

2) Income

Income from Donations Grants and Legacies

	2021	2020
	£	£
Donations	22	2,143
Fundraising Events	-	60
Grants	-	-
	<u>22</u>	<u>2,203</u>

Income from Charitable Activities

	2021	2020
	£	£
Provision of childcare sessions	132,865	120,772

3) Expenditure on Charitable Activities

	2021	2020
	£	£
Provision of childcare sessions	125,083	101,006

Breakdown as follows:

	2021	2020
	£	£
Childcare Staffing costs	96,410	76,527
Rent	14,750	11,500
Other Costs	13,923	13,979
	<u>125,083</u>	<u>101,006</u>

Notes to the Financial Statements (Continued)

4) Employees and Remuneration

Aggregate payroll costs were as follows:

	2021	2020
	£	£
Wages and Salaries	95,005	75,479
Social security Costs	-	-
Pension Contributions	1,405	883

No funds were spent on agency staff during the period (2020: £165).

Social security costs disclosed above are stated net of employment allowance claimed in the periods.

The monthly average number of persons (including the Heads of Pre-School) employed by the Charity during the year expressed as full time equivalents was 4.5 (2020: 4.25)

Heads of pre-school are regarded as the key management personnel. Payments totalling £27,056 were made to individuals with this job title during the year (2021: £29,699). No Trustee received any remuneration during the period for acting in the capacity of a trustee (2020: nil).

No employee received remuneration of over £60,000 in the year (2020: No employee).

5) Trustee Expenses

Trustee expenses in the period totalled £nil (2020: £750). No costs relating to meeting attendance were claimed.

In addition, the charity paid £75 (2020: £50) for Trustee indemnity insurance.

6) Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the group to the scheme and amounted to £1,405 (2020: £883).

Notes to the Financial Statements (Continued)

7) Related Party Transactions

Trustees made no donations to the preschool during the year (2020: £Nil).

Cleone Inglis Jones, the spouse of a Trustee, Valentine Inglis Jones, was employed by the Ark during the year as a Pre-School Assistant. Total payments made to Cleone in the period were £6,808 (2020: £6,415). All terms of employment were identical to non-related parties employed in the same role.

Alison Jackson was employed as joint head of Preschool, receiving gross pay of £6,380 until 18 December 2020 at which point her paid employment ceased. In May 2021 she was invited to join the Board of Trustees on a voluntary basis.

The charity received a £20,000 interest free loan from Bramshott and Liphook PCC during in 2017. This unsecured loan is repayable over 5 years. At 31 July 2021 the total balance outstanding on the loan was £6,686 (2020: £10,682).

The charity paid rental of £14,750 (2020: £11,500) to Bramshott and Liphook PCC during the period for the space from which the playschool operates. The charity also paid Bramshott and Liphook PCC £140 (2020: £691) for ad-hoc hire of additional facilities.

8) Fixed Assets

	<u>External Equipment</u>	<u>Other Equipment</u>	<u>Total</u>
	£	£	£
<u>Cost:</u>			
At 01 August 2020	12,430	-	12,430
Additions in period	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 July 2021	12,430	-	12,430
<u>Depreciation:</u>			
At 01 August 2020	3,936	-	3,936
Charge for year	2,486	-	2,486
	<hr/>	<hr/>	<hr/>
At 31 July 2021	6,422	-	6,422
<u>Net Book Value:</u>			
At 31 July 2021	6,007	-	6,007
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 01 August 2020	8,494	-	8,494
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2021

Notes to the Financial Statements (Continued)

9) Debtors

Amounts falling due within one year:

	2021	2020
	£	£
Trade debtors	381	275
Other Debtors	-	1,265
	<u>381</u>	<u>1,540</u>
	<u><u>381</u></u>	<u><u>1,540</u></u>

10) Creditors

Amounts falling due within 1 Year

	2021	2020
	£	£
Trade Creditors	62	-
Loan from Related Party	3,996	3,996
Pension Creditor	594	6
Other Creditors	-	-
	<u>4,652</u>	<u>4,002</u>
	<u><u>4,652</u></u>	<u><u>4,002</u></u>

Amounts falling due in more than 1 year

	2021	2020
	£	£
Loan from related Party	2,690	6,686

The Ark Preschool Nursery, Liphook
Trustees' Annual Report and Accounts
Period Ended 31 July 2021

Notes to the Financial Statements (Continued)

11) Movement in Funds

	At 01 Aug 2020 £	Movement In year £	At 31 Jul 2021 £
Unrestricted Funds	49,253	13,133	62,386
Restricted Funds	8,494	(2,486)	6,008
	<u>57,747</u>	<u>10,647</u>	<u>68,394</u>

Restricted funds analysis

	2021 £	2020 £
External Play Equipment Fund	<u>6,008</u>	<u>8,494</u>

12) Analysis of Net Assets between Funds

2021

	Restricted Funds £	Unrestricted Fund £	Total Funds £
Fixed Assets	6,008	-	6,008
Current Assets/Liabilities	-	65,076	65,076
Long term Liabilities	-	(2,690)	(2,690)
	<u>6,008</u>	<u>62,386</u>	<u>68,394</u>

2020

	Restricted Funds £	Unrestricted Fund £	Total Funds £
Fixed Assets	8,494	-	8,494
Current Assets/Liabilities	-	55,939	55,939
Long term Liabilities	-	(6,686)	(6,686)
	<u>8,494</u>	<u>49,253</u>	<u>57,747</u>