

**WATER LILIES PRE-SCHOOL**  
**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 JULY 2021**

# WATER LILIES PRE-SCHOOL

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	L Mountain M Rutherford E Turner	(Appointed 12 February 2021)
<b>Charity number</b>	1173781	
<b>Registered office</b>	9 Cook Way Broadbridge Heath Horsham West Sussex RH12 3RW	
<b>Independent examiner</b>	Darren Harding ACA FCCA DChA Richard Place Dobson Services Limited 1-7 Station Road Crawley West Sussex RH10 1HT	

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# WATER LILIES PRE-SCHOOL

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# **WATER LILIES PRE-SCHOOL**

## **TRUSTEES' REPORT**

### ***FOR THE YEAR ENDED 31 JULY 2021***

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The trustees present their annual report and financial statements for the year ended 31 July 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's constitution, the Charities Act 2011 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)".

#### **Objectives and activities**

To support children's intellectual and social development by providing a safe, interesting and fun learning environment for local children aged 2-4 years in line with the Early Years Foundation Stage 2012 (EYFS) framework.

Through a mix of adult-led and self-initiated activities, Water Lilies Pre-School encourage the children to explore their surroundings, encounter new experiences and learn to take risks in a safe and nurturing environment.

Working within the Early Years Foundation Stage 2012 (EYFS) framework, the Pre-school supports a child's intellectual and social development.

In order to achieve this, the preschool:

- Assigns a Key Worker to each child, who monitors and assesses their development and works with parents to tailor a routine that meets the child's requirements
- Designs personal development plan for each child in setting.
- Provides a varied and stimulating range of educational toys, games and activities to encourage children to play, learn and grow at their own pace in line with the principles of child-centred education.

The pre-school operates under the ethos that a balanced diet is essential for the maintenance and protection of children's health, and that developing a healthy diet and good eating habits in life will lay the foundations for future health.

The pre-school is governed by Ofsted and is required to adhere to their guidance. It is inspected in line with Ofsted regulatory requirements.

In line with government safeguarding legislation, all staff and trustees are required to undertake DBS checks prior to appointment.

#### **Achievements and performance**

2020 was a difficult year due to the pandemic beginning in March. The preschool was subsequently closed until June 2020.

We didn't get to partake in our usual Easter celebrations/activities or carry out our annual charity fundraiser for Easter. Our yearly farm trip was also cancelled in the summer.

The pandemic had a massive effect on our usual recruiting of new children and families during the Spring and Summer Terms. Even when we did open up again in June, we had to work in a bubble system so we couldn't welcome back all the children, some families were also hesitant to send their children back to preschool. We also couldn't show potential new families around the setting either.

Practitioners did story and singing sessions online whilst we were closed during lockdown, we kept in contact with families and suggested activities families could do at home.

During the lockdown of January 2021, we made up lockdown packs for all of our children who didn't attend.

All practitioners showed great commitment to the preschool in this difficult year. Not only Ensuring the day to day running of the preschool but also sorting out their own children's schooling.

The Christmas Hamper raffle raised £107, and we bought resources and equipment.

Tisha Davis our committee member left in September and we appointed Emma Turner.

# **WATER LILIES PRE-SCHOOL**

## **TRUSTEES' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 JULY 2021**

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### **Financial review**

During the financial year the charity had a surplus of £494 (2020 deficit: £19,071).

The charity holds in reserve funds to cover expenditure for 3 months in the case of financial difficulty. This includes outgoings for rent, staff salaries and possible redundancy payments. The current funds available are over 3 months expenditure, however any additional funds are used to improve the equipment offered at the nursery.

The charity's main source of funding is via the government for 2/3 year olds and 4 year olds attending preschool. In general these funds are used to cover the running costs of the nursery, the largest of which is the rent paid to Crawley Council for the use of the building.

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

Trustees have given consideration to the Charities SORP ('Statement of Recommended Practice') Committee's advice in its publication 'Implications of COVID-19 Control Measures and Charity Financial Reporting' and to the risks arising as a result of the coronavirus pandemic. The Charity is actively monitoring and managing the situation as it develops. We have adapted our operations in line with government guidance.

### **Structure, governance and management**

The charity is controlled by its governing document, Charitable Incorporated Organisation Constitution adopted 11 July 2017.

The trustees who served during the year and up to the date of signature of the financial statements were:

T Davis

(Resigned 12 February 2021)

L Mountain

M Rutherford

E Turner

(Appointed 12 February 2021)

Trustees are appointed or re-appointed annually at the Annual General Meeting.

Water Lilies Pre-School is a friendly, non-profit Pre-School based in the small community of Ifield West in Crawley. Open to all children from 2 - 4 years, we provide a safe interesting and fun environment in which Children can play, learn and grow.

Formally a part of the Willow Tree Pre-Schools charity group, founded in 1990, in 2017 the charity decided to split into its four separate settings. The Ifield West pre-school has been active since 2011, and is run by an experienced group of Childcare Professionals, led by our Manager, Leanne, who is also a trustee of the charity.

The trustees' report was approved by the Board of Trustees.



L Mountain  
Trustee



E Turner  
Trustee

Date: 9/03/22

# WATER LILIES PRE-SCHOOL

## INDEPENDENT EXAMINER'S REPORT

### TO THE TRUSTEES OF WATER LILIES PRE-SCHOOL

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I report to the trustees on my examination of the financial statements of Water Lilies Pre-School (the charity) for the year ended 31 July 2021.

#### **Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements to be reached.



**Darren Harding ACA FCCA DChA**  
Richard Place Dobson Services Limited  
1-7 Station Road  
Crawley  
West Sussex  
RH10 1HT

Dated: 21 March 2022

# WATER LILIES PRE-SCHOOL

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

*FOR THE YEAR ENDED 31 JULY 2021*

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		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<b><u>Income from:</u></b>			
Donations	3	140	82
Charitable activities	4	90,418	68,703
Investments	5	1	6
		<hr/>	<hr/>
<b>Total income</b>		90,559	68,791
		<hr/>	<hr/>
<b><u>Expenditure on:</u></b>			
Charitable activities	6	90,065	87,862
		<hr/>	<hr/>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		494	(19,071)
Fund balances at 1 August 2020		51,703	70,774
		<hr/>	<hr/>
<b>Fund balances at 31 July 2021</b>		52,197	51,703
		<hr/>	<hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

# WATER LILIES PRE-SCHOOL

## BALANCE SHEET

AS AT 31 JULY 2021

	Notes	2021 £	£	2020 £	£
<b>Current assets</b>					
Debtors	10	447		-	
Cash at bank and in hand		66,778		69,233	
		<u>67,225</u>		<u>69,233</u>	
<b>Creditors: amounts falling due within one year</b>	11	(15,028)		(17,530)	
Net current assets			52,197		51,703
<b>Income funds</b>					
Unrestricted funds			52,197		51,703
			<u>52,197</u>		<u>51,703</u>

The financial statements were approved by the Trustees on 09/03/2022



L Mountain  
Trustee



E Turner  
Trustee



# **WATER LILIES PRE-SCHOOL**

## **NOTES TO THE FINANCIAL STATEMENTS**

### ***FOR THE YEAR ENDED 31 JULY 2021***

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#### **1 Accounting policies**

##### **Charity information**

Water Lilies Pre-School is a Charitable Incorporated Organisation.

##### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's constitution, the Charities Act 2011 and "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The registered office is 9 Cook Way, Broadbridge Heath, Horsham, West Sussex, RH12 3US.

The operation address of the charity is Ifield West Community Centre, Dobbins Place, Ifield West, Crawley, West Sussex RH11 0PL.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

##### **1.2 Going concern**

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

##### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

##### **1.4 Income**

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

The main source of income is funding via a government grant, these funds are received in advance and allocated to the period to which they refer and are deferred where required if the funding related to the period after the financial year.

##### **1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

The trustees have identified one charitable activity which is the running of the pre-school, all direct costs are associated to this activity. Any costs that are not directly attributed are assigned as support costs under the activity.

##### **1.6 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

# WATER LILIES PRE-SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2021**

### 1 Accounting policies

(Continued)

#### 1.7 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 1.8 Taxation

The charity is exempt from tax on its charitable activities

#### 1.9 Employee benefits

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

The costs of short-term employee benefits are recognised as a liability and an expense.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There were no key judgments or accounting estimates during the financial year.

### 3 Donations

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Donations and gifts	140	82

# WATER LILIES PRE-SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2021

### 4 Charitable activities

	Pre-School 2021 £	Pre-School 2020 £
Nursery fees	3,291	11,665
Government grants	87,127	57,038
	<u>90,418</u>	<u>68,703</u>

### 5 Investments

	Unrestricted funds 2021 £	Unrestricted funds 2020 £
Interest receivable	<u>1</u>	<u>6</u>

### 6 Charitable activities

	Pre-School 2021 £	Pre-School 2020 £
Staff costs	70,354	67,120
Rent	13,106	10,390
Sundries	12	198
Food	461	951
Equipment	1,127	3,029
Uniform	-	91
Training	365	921
	<u>85,425</u>	<u>82,700</u>
Share of support costs (see note 7)	2,792	1,835
Share of governance costs (see note 7)	1,848	3,327
	<u>90,065</u>	<u>87,862</u>

# WATER LILIES PRE-SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

### 7 Support costs

	Support costs	Governance costs	2021	Support costs	Governance costs	2020
	£	£	£	£	£	£
Advertising	-	-	-	131	-	131
Telephone	84	-	84	258	-	258
Postage & Stationery	40	-	40	187	-	187
Donations	49	-	49	119	-	119
Computer costs	698	-	698	981	-	981
Subscriptions	556	-	556	-	-	-
Travel and accomodation	-	-	-	159	-	159
Staff entertainment & gifts	603	-	603	-	-	-
Office supplies	538	-	538	-	-	-
Insurance	224	-	224	-	-	-
Independent Examination fees	-	1,620	1,620	-	2,985	2,985
Legal and professional	-	228	228	-	342	342
	<u>2,792</u>	<u>1,848</u>	<u>4,640</u>	<u>1,835</u>	<u>3,327</u>	<u>5,162</u>
Analysed between Charitable activities	<u>2,792</u>	<u>1,848</u>	<u>4,640</u>	<u>1,835</u>	<u>3,327</u>	<u>5,162</u>

### 8 Trustees

None of the trustees (or any persons connected with them) received any benefits from the charity during the year.

One of the trustees Leanne Mountain is also the Pre-school manager. She received total benefits of £22,489 for her role as the manager but is not involved in any discussions surrounding her salary

### 9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Full time	2	2
Part time	4	8
Total	<u>6</u>	<u>10</u>

# WATER LILIES PRE-SCHOOL

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2021

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### 9 Employees (Continued)

Employment costs	2021 £	2020 £
Wages and salaries	67,765	65,271
Social security costs	1,452	771
Other pension costs	1,137	1,078
	<u>70,354</u>	<u>67,120</u>

#### Key Management Personnel

The trustees deem two members of staff to be key management personnel, the total benefits received by them during the financial year was £45,274.

There were no employees whose annual remuneration was more than £60,000.

### 10 Debtors

Amounts falling due within one year:	2021 £	2020 £
Prepayments	447	-
	<u>447</u>	<u>-</u>

### 11 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Government grants		9,796	13,630
Other creditors		268	-
Accruals and deferred income		4,964	3,900
		<u>15,028</u>	<u>17,530</u>

### 12 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).