

DISLEY UNDER FIVES PRESCHOOL

TREASURERS REPORT with FINANCIAL STATEMENTS AND NOTES

12 MONTH PERIOD ENDED 31 OCTOBER 2020

I attach the accounts with this report regarding the financial performance and position of Disley Under Fives for the period stated above. As the committee of trustees of the charity considers this report, I would like to remind the committee of our obligations, the appropriate financial reporting framework and any requirements for independent review or audit.

Applicable framework and requirements

All charities are required to prepare accounts and, in the case of registered charities, file accounts per the required accounting framework with the trustees' annual report and an annual return. For a Charitable Incorporated Organisation (CIO) such as Disley Under Fives, note that it is a charity registered as a body corporate under Part 11 of the Charities Act 2011. While a body corporate under this legislation, it is not a charitable company, which means a company formed and registered with Companies House under the Companies Act 2006 and which is established for exclusively charitable purposes.

This distinction is important for the relevant and appropriate accounting framework. CIOs may opt to prepare their accounts on a receipts and payments basis if their gross income is less than £250,000. Otherwise the accounts are prepared on an accruals basis, in accordance with The Charities (Accounts and Reports) Regulations 2008 and The Statement of Recommended Practice - Accounting and Reporting by Charities, issued in March 2005 ("SORP").

For the purposes of the accounts for this period, **I recommend that Disley Under Fives continues to report on a receipts and payments basis of accounting** (cash accounting) for this period, as the gross income is less than £250,000 – this would also be a continuation in accounting policy from the previous period.

The committee should note that this needs to be monitored, for if this threshold is exceeded, the accounts for the CIO will need to be prepared on an accruals basis in accordance with the 2008 Regulations and SORP as mentioned above.

The committee should also note these accounts, owing to the gross income being more than £25,000 in the period relevant for the CIO, require an independent review. We have engaged A. Allen & Son Ltd, a firm of Chartered Accountants and Statutory Auditors, to conduct an independent review. The independent examiner's report is enclosed, as addressed to the trustees.

I recommend that Disley Under Fives, with the approval of the committee of trustees and, on the basis of no material concerns by the independent examiner, file the attached accounts and report with the Charity Commission, accompanying the required Annual Return for the period.

Covid-19 (Coronavirus) Pandemic

It should be noted that the setting was affected by the Covid-19 (Coronavirus) pandemic and, for part of the period, the setting was closed in accordance with HM Government's restrictions. From a financial perspective, Disley Under Fives continued to claim funding from Cheshire East per guidance from HM Government and, for the time when the setting could re-open (albeit with limited capacity), Disley Under Fives did make small claims under the Coronavirus Job Retention Scheme with the intention to offset the fall in income arising from the limitation in additional hours provision

beyond the time covered by Cheshire East Council funding. As per HM Government guidance, Disley Under Fives sought to keep staff in employment in anticipation of a return to a pre-pandemic level of provision and such claims were considered necessary to mitigate the risk of staff redundancies.

Income

Fee income was marginally higher for the current period against the prior 12 month period. This was due to maintained funding from Cheshire East Council (despite closures and restrictions), plus a small claim under the UK Government's Coronavirus Job Retention Scheme, which partially offset a fall in income due to limitations on the provision of additional hours beyond those covered by funding from Cheshire East Council.

Income from fundraising activities was slightly higher than the previous year, but still low in comparison to prior years, partly due to limitations on such activities with pandemic restrictions in force.

Expenses

Payroll costs were higher in the current period compared to the previous 12 months. Certain increases in salaries and wages were agreed prior to the outset of the pandemic and, with work patterns "frozen" for the purposes of payroll during the closure of the setting, the payroll costs incurred were reflective of what Disley Under Fives expected if the setting had remained open and operating at normal capacity.

Certain categories were lower than the previous period though. Again, with the setting closed for several months, regular operating expenses/purchases for the setting were lower as a result. In addition, payment of rent had been delayed, but these outflows are expected to be reflected in the results for the next financial year. The setting's expenditure was also slightly lower in comparison to last year as there were no remaining costs to incur relating to the setting renovation and temporary move to alternative premises as in prior periods.

Net surplus/deficit

Disley Under Fives generated a net surplus of £34,891 in the current period. The previous 12 months to 31 October 2019 resulted in a net surplus of £25,387.

Cash at bank

During this period, Disley Under Fives operated its banking facilities through CAF Bank, having closed its former accounts with the Royal Bank of Scotland.

The cash balance reported at 31 October 2020 was £87,135. This does not include any overdraft, prepaid cards (no longer in use) or other debt facility, as none are available to the charity during the period.

Cash increased from the aggregate balances of £52,243 as of 31 October 2019.

Capital reserves

Reflecting the transactions above, Disley Under Fives' capital reserves increased from £52,243 to £87,135 as of 31 October 2020.

Statement

These annual accounts for the CIO of Disley Under Fives are to my belief, a true and fair reflection of the preschool funds for the 12 month period to 31 October 2020.

Philip Robinson

Treasurer

18 June 2021

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Appendix 1 – Receipts and payments account for Disley Under Fives (CIO) to 31 October 2020

Appendix 2 – Independent examiner's report to the trustees of Disley Under Fives for the period to 31 October 2020



CHARITY COMMISSION
FOR ENGLAND AND WALES

Disley Under Fives

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Receipts and payments accounts

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For the period
from

01-Nov-19

To

31-Oct-20

Section A Receipts and payments

	Unrestricted funds to the nearest £	Restricted funds to the nearest £	Endowment funds to the nearest £	Total funds to the nearest £	Last year to the nearest £
A1 Receipts					
Fees Received	£127,660.75	-	-	127,661	121,792
Fund Generation - Fund Raising	£351.26	-	-	351	194
Charitable Activities	-	-	-	-	-
Investment Income	£35.09	-	-	35	61
Other Income	£1,776.43	-	-	1,776	-
	-	-	-	-	-
	-	-	-	-	-
Sub total (Gross income for AR)	129,824	-	-	129,824	122,048
A2 Asset and investment sales, (see table).					
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	-	-
Total receipts	129,824	-	-	129,824	122,048
A3 Payments					
Payroll, Tax/NI (inc Pension)	£88,266.79	-	-	88,267	82,440
Rent and Rates	£0.00	-	-	-	4,705
Travel Expenses	£50.80	-	-	51	52
Telephone and Computer	£267.07	-	-	267	885
Equipment Hire and Rental	£0.00	-	-	-	96
Maintenance	£0.00	-	-	-	-
General Expenses	£4,983.62	-	-	4,984	7,678
Bank Charges	£60.00	-	-	60	79
Professional Fees	£1,104.00	-	-	1,104	726
Fines and Penalties	£200.00	-	-	200	-
Sub total	94,932	-	-	94,932	96,660
A4 Asset and investment purchases, (see table)					
	-	-	-	-	-
	-	-	-	-	-
Sub total	-	-	-	-	-
Total payments	94,932	-	-	94,932	96,660
Net of receipts/(payments)	34,891	-	-	34,891	25,387
A5 Transfers between funds	-	-	-	-	-
A6 Cash funds last year end	52,243	-	-	52,243	26,856
Cash funds this year end	87,135	-	-	87,135	52,243

Section B Statement of assets and liabilities at the end of the period

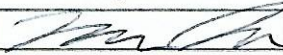
Categories	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
B1 Cash funds	Cash and cash equivalents	87,135	-	-
		-	-	-
		-	-	-
	Total cash funds	87,135	-	-
	(agree balances with receipts and payments accounts)			
B2 Other monetary assets	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
B3 Investment assets	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
			-	-
			-	-
			-	-
			-	-
B4 Assets retained for the charity's own use	Details	Fund to which asset belongs	Cost (optional)	Current value (optional)
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
B5 Liabilities	Details	Fund to which liability relates	Amount due (optional)	When due (optional)
			-	
			-	
			-	
			-	

Signed by one or two trustees on behalf of all the trustees

Signature

Print Name

Date of approval



VICTORIA PARR

22.7.2021

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
DISLEY UNDER FIVES PRE-SCHOOL**

I report on the accounts for the year ended 31st October 2020.

Respective responsibilities of trustees and examiner

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

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

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

Basis of the independent examiner's report

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

Independent examiner's statement


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

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements

- to keep accounting records in accordance with Section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and to comply with the accounting requirements of the 2011 Act

have not been met; or

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Darren Cooper BA (Hons) F.C.A. C.T.A.
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17 June 2021