

## **DISLEY UNDER FIVES PRESCHOOL**

### **TREASURERS REPORT with FINANCIAL STATEMENTS AND NOTES**

#### **12 MONTH PERIOD ENDED 31 OCTOBER 2021**

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, similar to the previous period, the setting was affected by the Covid-19 (Coronavirus) pandemic and the setting was closed for some time, owing primarily to staff absences. Disley Under Fives continued to claim funding from Cheshire East Council and it did make claims under the Coronavirus Job Retention Scheme (CJRS).

As a point of public record, the committee for Disley Under Fives wishes to recognise the additional efforts and hard work of charity management and staff during the pandemic period.

## **Income**

Fee income was marginally higher for the current period against the prior 12 month period. This was driven by continuing claims under the UK Government's Coronavirus Job Retention Scheme, which partially offset a fall in income due to setting closures and a commensurate fall in Cheshire East Council funding. For comparison, the income from additional hours (i.e. not public funding) was comparable to the period ended 31 October 2019, i.e. pre-pandemic.

Income from fundraising activities was comparable to 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. This was driven by several factors. First, material increases in hourly rates as the setting reviewed staffing in light of changes to the National Minimum Wage and Living Wage, plus market conditions in the local area. In line with the policy for the previous period, the charity continued to pay staff for planned hours in operation, regardless of setting closures in the period. Second, due to increased demands on setting management in this period, additional working hours were incurred, resulting in additional pay.

There were several notable increases in expenditure in the period compared to the prior period.

Non-recurring expenditure was incurred for renovations and development of the external part of the setting totalling £16,758. Some small, non-recurring expenditure also arose in relation to professional and other services, notably accountancy services relating to the CJRS grant claims.

Additional expenditure that is considered recurring (or potentially recurring) in nature, which was higher than the previous period, concerned training and development costs (external courses and licences for access to learning materials for staff) and staff entertainment costs, totalling approximately £2,000 within professional and other services.

The other material increase in recurring expenditure was in relation to the setting lease. The £7,500 payments in the period includes outstanding sums from the prior period and current period liabilities up to the end of June 2021. Accordingly, we expect additional amounts to be paid in the following period in addition to liabilities settled for that period itself.

## **Net surplus/deficit**

Disley Under Fives generated a net deficit/loss of £16,950 in the current period. The previous 12 months to 31 October 2020 resulted in a net surplus of £34,891.

Excluding the non-recurring renovation costs and some professional fees noted above, Disley Under Fives generated a very small underlying surplus of £636 (excluding the impact of additional pay during the pandemic, as noted above).

## **Cash at bank**

During this period, Disley Under Fives continued to operate its banking facilities with CAF Bank.

The cash balance reported on 31 October 2021 was £70,184, compared to that on 31 October 2020 of £87,135. Note that the charity has no overdraft, prepaid cards or other debt facility.

### **Capital reserves**

Reflecting the transactions above, Disley Under Fives' capital reserves decreased from £87,135 as of 31 October 2020 to £70,184 as of 31 October 2021.

### **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 2021.

Philip Robinson

Treasurer

29 August 2022

### **Enc**

Appendix 1 – Receipts and payments account for Disley Under Fives (CIO) to 31 October 2021

Appendix 2 – Independent examiner's report to the trustees of Disley Under Fives for the period to 31 October 2021



CHARITY COMMISSION  
FOR ENGLAND AND WALES

Display Under Fives

1175179

# Receipts and payments accounts

CC16a

For the period from 01-Nov-20 To 31-Oct-21

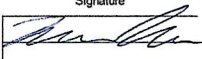
## Section A Receipts and payments

	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 £
<b>A1 Receipts</b>					
Fees Received	£123,611.16	-	-	123,611	127,661
Fund Generation - Fund Raising	£380.82	-	-	381	351
Charitable Activities	-	-	-	-	-
Investment Income	£7.47	-	-	7	35
Other Income	£6,521.30	-	-	6,521	1,776
	-	-	-	-	-
	-	-	-	-	-
<b>Sub total (Gross income for AR)</b>	<b>130,521</b>	<b>-</b>	<b>-</b>	<b>130,521</b>	<b>129,824</b>
<b>A2 Asset and investment sales, (see table),</b>					
	-	-	-	-	-
	-	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total receipts</b>	<b>130,521</b>	<b>-</b>	<b>-</b>	<b>130,521</b>	<b>129,824</b>
<b>A3 Payments</b>					
Payroll, Tax/Ni (inc Pension)	£112,322.24	-	-	112,322	88,267
Rent and Rates	£7,500.00	-	-	7,500	-
Travel Expenses	£0.00	-	-	-	51
Telephone and Computer	£564.07	-	-	564	267
Equipment Hire and Rental	£0.00	-	-	-	-
Fines and Penalties	£0.00	-	-	-	200
General Expenses	£5,540.02	-	-	5,540	4,984
Bank Charges	£90.00	-	-	90	60
Professional Fees and Other Services	£4,696.65	-	-	4,697	1,104
Refurbishment and renovation	£16,758.24	-	-	16,758	-
<b>Sub total</b>	<b>147,471</b>	<b>-</b>	<b>-</b>	<b>147,471</b>	<b>94,932</b>
<b>A4 Asset and investment purchases, (see table)</b>					
	-	-	-	-	-
	-	-	-	-	-
<b>Sub total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total payments</b>	<b>147,471</b>	<b>-</b>	<b>-</b>	<b>147,471</b>	<b>94,932</b>
<b>Net of receipts/(payments)</b>	<b>- 16,950</b>	<b>-</b>	<b>-</b>	<b>- 16,950</b>	<b>34,891</b>
<b>A5 Transfers between funds</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>A6 Cash funds last year end</b>	<b>87,135</b>	<b>-</b>	<b>-</b>	<b>87,135</b>	<b>52,243</b>
<b>Cash funds this year end</b>	<b>70,184</b>	<b>-</b>	<b>-</b>	<b>70,184</b>	<b>87,135</b>

# 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 £
<b>B1 Cash funds</b>	Cash and cash equivalents	70,184	-	-
		-	-	-
		-	-	-
	<b>Total cash funds</b>	70,184	-	-
	(agree balances with receipts and payments account(s))			
		Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
<b>B2 Other monetary assets</b>		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
		-	-	-
<b>B3 Investment assets</b>		Fund to which asset belongs	Cost (optional)	Current value (optional)
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
<b>B4 Assets retained for the charity's own use</b>		Fund to which asset belongs	Cost (optional)	Current value (optional)
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
			-	-
<b>B5 Liabilities</b>		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 **VICTORIA PAER** Date of approval **20.8.22**

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

I report on the accounts for the year ended 31st October 2021.

**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.  
45 Union Road  
New Mills  
High Peak  
SK22 3EL

24 August 2022