

**Lavenham Preschool**

**Annual Report and Financial Statements**

**Year ended 31 August 2023**

Charity number: 1184176

# **LAVENHAM PRESCHOOL**

## **Annual Report and Financial Statements for the year ended 31 August 2023**

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# LAVENHAM PRESCHOOL

## Annual Report and Financial Statements for the year ended 31 August 2023

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### Reference and administrative details

**Charity name** Lavenham Preschool

**Registered charity number** 1184176

**Business address** Church Street  
Lavenham  
Suffolk  
CO10 9QT

**Trustees** R S Mawford - Chairman  
D Carse - Treasurer  
J M Jones  
S Knight  
K Humphreys  
A Hyde Parker  
H Upton

**Pre-school Manager** Elzbieta Zlotek

**Independent examiner** Wendy Bowman AAT  
WB Accounting Services, 18 Peek Close, Lavenham, Suffolk, CO10 9FR

**Bankers** Santander UK plc  
Lloyds Bank plc

# **LAVENHAM PRESCHOOL**

## **Report of the trustees for the year ended 31 August 2023**

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The trustees for the purposes of charity law, have pleasure in presenting their annual report and the financial statements of the charity for the year ended 31 August 2023.

### **Structure, Governance and Management**

#### ***Governing Document***

Lavenham Preschool is a Charitable Incorporated Organisation (Foundation Model) which was registered on 1 July 2019 (registered number 1184176). On 19 December 2019 the CIO obtained OFSTED registration and took over the Preschool's activities and assets. The Preschool previously operated as an unincorporated charity (registered number 1048612) which was registered on 12 August 1995.

#### ***Trustees – appointment, organisation and recruitment***

The trustees during the year ended 31 August 2023 are stated on page 1. Subsequent to this, H Upton resigned on 10 September 2023.

#### ***Risk management***

The trustees have reviewed the major risks to which the charity is exposed and have established systems and procedures to mitigate those risks.

#### **Objectives and activities**

Lavenham Preschool is an educational charity whose objectives are to enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups and by:

- a) offering appropriate play, education and care facilities, family learning and extended hours groups, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race, culture, religion, means or ability;
- b) encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local areas;
- c) instigating and adhering to and furthering the aims and objects of the Pre-school Learning Alliance.

The Preschool is open five days a week, offering breakfast club, morning and afternoon sessions, lunch club, an after-hours club and all-day care. We cater for children from 2 years to school age, preparing them for entry into mainstream schooling. The Preschool operates from a purpose-built building, adjacent to Lavenham Village Hall, which was opened in September 2017.

#### **Performance and achievements**

The Preschool continued the improvement in its financial position during the year, helped by a significant increase in fee income. With the involvement of both trustees and staff, we were also able to step up our fundraising efforts, including through the resumption of the annual fireworks display, held in conjunction with Lavenham Primary School. Major thanks for their excellent work during the year must go to all our staff, particularly those who showed resilience and flexibility in taking up senior acting appointments to cover maternity leave.

**Report of the trustees for the year ended 31 August 2023**

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The improved financial position of the Preschool meant that we were less reliant on financial support from outside bodies than in the previous year. But we were pleased to receive a donation of £250 to support our 2022 fireworks display.

**Plans for the future**

The coming year is likely to prove a challenging one with the priority being to build up pupil numbers in order to ensure that our purpose-built building is fully utilised and to cover increasing costs. It will also be necessary to take advantage of the opportunities provided by the Government's phased extension of free childcare, beginning from April 2024 with the provision of 15 hours per week of education and care to two-year children of eligible parents. To help to achieve our objectives, from January 2024 we will be extending the regular working hours of the Preschool to cover 8.00am to 5.00pm. This should make our service more attractive to working parents and carers. In addition, because the Forest School is a major part of our offering we are re-branding ourselves as the "Lavenham Preschool & Forest School".

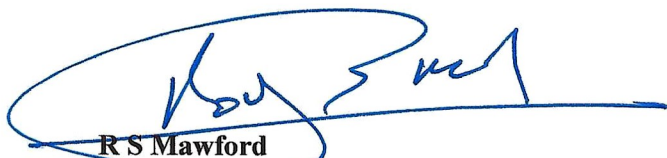
**Financial Review**

The Statement of Financial Activities on page 5 sets out the movement in funds for the year and the Balance Sheet on page 6 shows the charity's state of affairs at the year end. Included within debtors is £6,715 due from HMRC in respect of statutory maternity pay that could not be offset against PAYE during the year. The principal sources of income are the Government Funding Grant for Early Years Education, from Suffolk County Council and fees charged for non-funded sessions. As noted above, fundraising also played a more significant role in 2022-23.

These sources of income led to an increase in total income of 17%. Costs rose by slightly less with the result that the surplus rose to £23,092 compared with £19,239 in the previous year. Reserves stood at £53,737 at the end of 2022-23.

The trustees have considered the level of funds held and the expected income and expenditure for the next 12 months. Based on this assessment, the trustees believe that the Preschool will continue as a going concern during this period.

**This report was approved by the trustees on 1 November 2023 and signed on their behalf by:**



**R S Mawford**  
Chairman



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## Independent Examiner's Report to the trustees of Lavenham Preschool

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I report on the accounts of Lavenham Preschool for the year ended 31 August 2023, which are set out on pages 5 to 9.

### Respective responsibilities of trustees and examiner

The trustees are responsible for the preparation of the accounts. The 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 needed.

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 Direction 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 independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. 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 statement below.

### Independent examiner's statement

In connection with our 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 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting requirements of the section 396 of the Companies Act 2006 and with the methods and principles of Statement of Recommended Practice: Accounting and Reporting by Charities 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.



**W Bowman AAT**  
WB Accounting Services  
Lavenham, Suffolk CO10

30 October 2023

# LAVENHAM PRESCHOOL

## Statement of Financial Activities (incorporating an Income and Expenditure Account) for the year ended 31 August 2023

	Note	Unrestricted Funds £	Restricted Funds £	2023 Total £	2022 Total £
<b>Income from:</b>					
Donations	2	-	250	250	10,850
Charitable activities:					
Grants	3	86,565	-	86,565	82,549
Fees		41,246	-	41,246	18,456
Other income		-	-	-	34
Fundraising events		3,554	-	3,554	763
Investment income					
Bank interest receivable		131	-	131	4
<b>Total income</b>		<b>131,496</b>	<b>250</b>	<b>131,746</b>	<b>112,656</b>
<b>Expenditure on:</b>					
Raising funds		175	250	425	90
Charitable activities	4	108,229	-	108,229	93,327
<b>Total expenditure</b>		<b>108,404</b>	<b>250</b>	<b>108,654</b>	<b>93,417</b>
<b>Net income</b>		<b>23,092</b>	<b>-</b>	<b>23,092</b>	<b>19,239</b>
Fund balances at 1 September 2022		30,645	-	30,645	11,406
<b>Fund balances at 31 August 2023</b>		<b>53,737</b>	<b>-</b>	<b>53,737</b>	<b>30,645</b>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derives from continuing activities. The comparative figures for 2022 all relate to unrestricted funds, except as shown in note 2.

**LAVENHAM PRESCHOOL****Balance sheet at 31 August 2023**

	Note	Total 2023	Total 2022
<b>Current Assets</b>		£	£
Debtors and prepayments	7	7,804	571
Cash at bank & in hand		47,590	45,985
		<u>55,394</u>	<u>46,556</u>
<b>Creditors: amounts falling due within one year</b>		(1,657)	(15,911)
<b>Net current assets</b>		<u>53,737</u>	<u>30,645</u>
<b>Net assets</b>		<u>53,737</u>	<u>30,645</u>
<b>Funds</b>	8		
Unrestricted funds		53,737	30,645
Restricted funds		-	-
		<u>53,737</u>	<u>30,645</u>

The notes on pages 7 to 9 form part of these financial statements.

The financial statements were approved by the trustees on 1 November 2023 and signed on their behalf by



**D T R Carse**  
Trustee



**1 Accounting policies**

*Accounting convention*

These 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

The charity constitutes a public benefit entity as defined by FRS 102.

*Going concern*

The accounts have been prepared on a going concern basis which the trustees believe is appropriate given the level of funds held and the income and expenditure forecast for the next 12 months from the date of approving these financial statements.

*Incoming resources*

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Donated services are included at the value to the charity where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

*Expenditure*

All expenditure is accounted for on an accruals basis, and has been classified under the headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

Fundraising costs are those incurred in seeking voluntary contributions and holding fundraising events. Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with compliance with constitutional and statutory requirements.

*Tangible fixed assets*

Individual fixed assets costing £1,000 or more are capitalised at cost, including any incidental costs of acquisition. Depreciation is provided on all tangible fixed assets, other than freehold land, so as to write off the cost, less estimated residual value, over their expected useful lives.

*Operating leases*

Rentals under operating leases are charged to the income and expenditure account as incurred.

*Fund Accounting*

Unrestricted funds comprise accumulated surpluses and deficits on the general fund and designated funds. They are available for use at the discretion of the trustees in furtherance of the charitable company's objectives. Designated funds are those funds designated for a particular purpose or projects at the discretion of the trustees.

Notes to the financial statements for the year ended 31 August 2023 (*Continued*)

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

**2 Donations**

	2023 £	2022 £
<i>Unrestricted:</i>		
Lavenham Community Council	-	2,500
Lavenham Parish Council	-	3,500
Lavenham Gardening Club	-	300
East of England Co-op	-	-
Smaller donations	-	50
<i>Restricted:</i>		
Lavenham Community Council	-	4,500
Individual donor re fireworks display	250	-
	<hr/>	<hr/>
<b>Total donations</b>	<b>250</b>	<b>10,850</b>
	<hr/>	<hr/>

**3 Grants**

	2023 £	2022 £
Suffolk County Council - Early Education funding	<b>86,565</b>	<b>82,549</b>
	<hr/>	<hr/>
<b>Total grants</b>	<b>86,565</b>	<b>82,549</b>
	<hr/>	<hr/>

**4 Expenditure on Charitable activities**

	2023 £	202 £
<i>Direct costs</i>		
Staff costs (note 5)	82,017	74,492
Resources for children	4,612	1,070
<i>Support costs</i>		
Premises	8,001	8,368
Other support costs, including governance costs	13,599	9,397
	<hr/>	<hr/>
	<b>108,229</b>	<b>93,327</b>
	<hr/>	<hr/>

## Notes to the financial statements for the year ended 31 August 2023 (Continued)

## 5 Staff costs

	2023 £	2022 £
Wages and salaries	78,896	72,885
Social security costs	-	-
Pension costs	1,062	863
Staff recruitment, training and uniform costs	1,094	744
Other staff costs	965	-
	<u>82,017</u>	<u>74,492</u>

The key management personnel of the charity comprise the trustees and the Preschool manager as shown on page 1. The trustees neither received nor waived any remuneration during the year (2021: £nil).

The average number of employees during the year, calculated on a head count basis was 10 (2022:9). No employee had emoluments in excess of £60,000 (2022: nil).

## 6 Taxation

The company is a registered charity and is not considered liable to taxation on its income. Income tax deducted at source from income is recoverable from HMRC.

## 7 Debtors and prepayments

Includes £6,715 due from HMRC in respect of statutory maternity pay that could not be offset against PAYE during the year.

A provision of £460 for bad and doubtful debts in respect of overdue fee income has been deducted.

## 8 Funds Summary

	Balance at 1 September 2022 £	Fund movements			Balance at 31 August 2023 £
		Incoming resources £	Resources used £	Transfer s	
Restricted funds	-	250	250	-	-
Unrestricted funds	30,645	131,496	108,404	-	53,737
	<u>30,645</u>	<u>131,746</u>	<u>108,654</u>	<u>-</u>	<u>53,737</u>