

Charity registration number 1193532 (England and Wales)

**STEPPING STONES PRE-SCHOOL C.I.O.
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2025**

STEPPING STONES PRE-SCHOOL C.I.O.

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STEPPING STONES PRE-SCHOOL C.I.O.

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

Mrs S West
Mrs A Collins
Mrs L Mullenger
Mrs A Parker
Mr P Ballard

Charity registration

England and Wales

1193532

Independent examiner

I G C Piper, partner
Whitings LLP
George Court
Bartholemews Walk
Ely
Cambridgeshire
CB7 4JW

Bankers

Zempler Bank

STEPPING STONES PRE-SCHOOL C.I.O.

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2025

The trustees present their annual report and financial statements for the Year ended 31 August 2025.

Stepping Stones Pre-School (registered charity number 1137396) took the decision to become formally recognised and registered with the Charity Commission on 15 February 2021 as a C.I.O. The old charity was formally closed on 31 March 2024 and all assets and liabilities totalling £61,288 were transferred to the new charity at 1 April 2024.

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 governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)".

Objectives and activities

The aim of the pre-school is to enhance the development and education of children under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups and by:

- Offering appropriate play facilities and training courses, 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, regardless of race, religion or means.
- 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.
- Investigating and adhering to and furthering the aim of the Pre-School Playgroups Association.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Public benefit

The Trustees confirm that they have been referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity aims and objectives and setting the grant making policy for the year.

Activities

a. Review of activities

The committee are pleased to have seen the pre-school consolidate its position this year. The move to its new permanent home has seen a benefit when reviewing the Charity aims and objectives and setting the grant making policy for the year.

Achievements and performance

Significant activities and achievements against objectives

Financial review

The net income over expenditure for the period amount to £25,980. The Trustees are very pleased with the results brought about by the extraordinary hard work from the staff and committee.

STEPPING STONES PRE-SCHOOL C.I.O.

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2025

Reserves policy

Reserves are held in an interest bearing account, with the trustees holding the opinion that notwithstanding the low rates of interest available they should adopt a risk free approach.

The pre-school has increased the emergency reserves balance by £15,528 to £48,750 representing 3 months expenditure.

Structure, governance and management

The pre-school began in 1998 and is governed by a standard pre-school constitution. This constitution was updated at the 2009 Annual General Meeting. The day to day running of the pre-school is undertaken by an elected management committee.

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

Mrs S West

Mrs A Collins

Mrs L Mullenger

Mrs A Parker

Mr P Ballard

Recruitment and appointment of trustees

The management of the Charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Constitution. Trustees are appointed by the members of the committee at the Annual General Meeting (AGM) if and when necessary.

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



[Shelley West \(Dec 15, 2025 14:22:43 GMT\)](#)

Mrs S West

Trustee

Date: 15/12/2025

STEPPING STONES PRE-SCHOOL C.I.O.

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF STEPPING STONES PRE-SCHOOL C.I.O.

I report to the trustees on my examination of the financial statements of Stepping Stones Pre-School C.I.O. (the charity) for the Year ended 31 August 2025.

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.

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

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared the financial statements in accordance with the relevant version of the Statement of Recommended Practice applicable to charities preparing their financial statements 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 the financial statements to provide a true and fair view in accordance with UK Generally Accepted Accounting Practice.

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 Charities Act 2011.
- 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 financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements 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.



I G C Piper, partner
Whitings LLP

George Court
Bartholemews Walk
Ely
Cambridgeshire
CB7 4JW

Date: ...15/12/2025.....

STEPPING STONES PRE-SCHOOL C.I.O.

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2025

		Unrestricted funds year ended 31 August 2025	Unrestricted funds 5 months ended 31 August 2024
	Notes	£	£
Income from:			
Grants	2	205,843	70,596
Charitable activities	3	12,981	5,342
Other trading activities	4	1,529	-
Investments	5	402	105
Total income		220,755	76,043
Expenditure on:			
Charitable activities	6	194,775	69,811
Total expenditure		194,775	69,811
Net income and movement in funds		25,980	6,232
Reconciliation of funds:			
Fund balances at 1 September 2024		71,229	64,997
Fund balances at 31 August 2025		97,209	71,229

The statement of financial activities includes all gains and losses recognised in the Year. All income and expenditure derive from continuing activities.

STEPPING STONES PRE-SCHOOL C.I.O.

STATEMENT OF FINANCIAL POSITION

AS AT 31 AUGUST 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	11		8,084		4,295
Current assets					
Debtors	12	1,988		1,249	
Cash at bank and in hand		131,361		93,497	
		133,349		94,746	
Creditors: amounts falling due within one year	13	(44,224)		(27,812)	
Net current assets			89,125		66,934
Total assets less current liabilities			97,209		71,229
The funds of the charity					
Unrestricted funds	15		97,209		71,229
			97,209		71,229

The financial statements were approved by the trustees on ..15/12/2025.....

Shelley West

Mrs S West (Dec 15, 2025 14:22:43 GMT)

Trustee

STEPPING STONES PRE-SCHOOL C.I.O.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

Charity information

The pre-school began in 1998 and is governed by a standard pre-school constitution. This constitution was updated at the 2009 Annual General Meeting. The day to day running of the pre-school is undertaken by an elected management committee.

1.1 Reporting period

The figures are not comparable as the figures relate to the 5 months ended 31 August 2024 as opposed to a full 12 months. This is because the charity started in April 2024.

1.2 Basis of preparation

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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 financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.3 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.

1.4 Charitable funds

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

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

STEPPING STONES PRE-SCHOOL C.I.O.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.6 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.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Plant and equipment	Straight line over 10 years
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 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.

1.10 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.

STEPPING STONES PRE-SCHOOL C.I.O.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Income from grants

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Grants	205,843	70,596

3 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Income		
Parent fees	12,981	5,342

STEPPING STONES PRE-SCHOOL C.I.O.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

4 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising events	1,529	-

5 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	402	105

6 Expenditure on charitable activities

	Expenses 2025 £	Expenses 2024 £
Direct costs		
Staff costs	151,907	56,334
Depreciation and impairment	951	477
Rent and utilities	11,362	5,556
Sundries	7,939	1,676
Bank charges	336	176
Stationery	1,442	422
Telephone and broadband	2,336	1,188
Play materials and resources	10,079	1,778
Training	1,331	1,271
Accountancy	1,175	933
Decorating	5,917	-
	<u>194,775</u>	<u>69,811</u>
Analysis by fund		
Unrestricted funds	<u>194,775</u>	<u>69,811</u>

7 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the independent examination of the charity's financial statements	1,175	935
Depreciation of owned tangible fixed assets	951	477

STEPPING STONES PRE-SCHOOL C.I.O.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

8 Trustees

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

9 Employees

The average monthly number of employees during the Year was:

	2025 Number	2024 Number
	10	10
Employment costs	2025	2024
	£	£
Wages and salaries	149,067	54,268
Other pension costs	2,840	2,066
	151,907	56,334

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

10 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

11 Tangible fixed assets

	Plant and equipment £
Cost	
At 1 September 2024	4,772
Additions	4,740
At 31 August 2025	9,512
Depreciation and impairment	
At 1 September 2024	477
Depreciation charged in the Year	951
At 31 August 2025	1,428
Carrying amount	
At 31 August 2025	8,084
At 31 August 2024	4,295

STEPPING STONES PRE-SCHOOL C.I.O.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

11 Tangible fixed assets (Continued)

12 Debtors

	2025	2024
	£	£
Amounts falling due within one year:		
Other debtors	1,988	1,249

13 Creditors: amounts falling due within one year

	2025	2024
	£	£
Other taxation and social security	1,195	1,980
Other creditors	41,973	24,950
Accruals and deferred income	1,056	882
	44,224	27,812

14 Retirement benefit schemes

	2025	2024
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	2,840	2,066

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

15 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 September 2024	Incoming resources	Resources expended	Transfers	At 31 August 2025
	£	£	£	£	£
Emergency operating reserve	33,222	-	-	15,528	48,750
General funds	38,007	220,755	(194,775)	(15,528)	48,459
	71,229	220,755	(194,775)	-	97,209

STEPPING STONES PRE-SCHOOL C.I.O.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2025

15 Unrestricted funds (Continued)

Previous 5 months:	At 1 September 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 August 2024 £
Emergency operating reserve	-	-	-	33,222	33,222
General funds	64,997	76,043	(69,811)	(33,222)	38,007
	<u>64,997</u>	<u>76,043</u>	<u>(69,811)</u>	<u>-</u>	<u>71,229</u>

16 Related party transactions

There were no disclosable related party transactions during the Year (2024 - none).