

FRITTENDEN PRE-SCHOOL

TRUSTEES REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The trustees submit their annual report and financial statements of Frittenden Preschool (“the charity”) for the year ended 31 December 2021. The trustees confirm that the annual report and financial statement of the charity comply with current statutory requirements, the requirements of the charity’s governing document and the provisions of the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities” issued in March 2005

Structure, governance and management

The charity’s objectives are to establish and run a Preschool to advance the education of Preschool children.

The trustees are:

Mrs Claire Deaves

Mrs Emily Walczak

Mrs Sarah Harris

Mrs Hannah Swindells

Mr Alex Davies

Mrs Joanna Beech

The charity is governed by a board of three trustees who are officers of the committee and three property trustees and operates a Preschool with a Committee and staff.

Constitution

The charity is governed under a Constitution (Preschool Learning Alliance Model Preschool Constitution 2011) signed 6 March 2018 and is a registered charity.

Organisational structure and decision making

The day-to-day management of the charity is under the control of a management committee comprising the Chair, Treasurer and Secretary. The management committee is required to obtain prior approval from the Property Trustees for all non-operational and capital expenditure in excess of £2,000.

Risk management

The management committee has undertaken a risk assessment of all activities organised by the Preschool in furtherance of its objectives and of the Preschool facilities and this is reviewed on an annual basis. The Property Trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to major risks.

Objectives and activities

In shaping our objectives for the year and planning our activities, the trustees have considered the Charity Commission's guidance on public benefit, including the guidance "Public Benefit: Running a Charity (PB2)".

The objective of the charity is to provide high quality experiences for children aged two to five years. We work together with parents to support children through their early years by providing a nurturing and play-based environment, extending their emotional, social, academic, and physical skills and abilities. By broadening their range of experiences and deepening their level of understanding, our goal is to inspire curiosity, independence, and a life-long love of learning to help children become contributing members of our community and the world.

The charity actively promotes creativity and imaginative play and equality of opportunity for everyone. Children are encouraged to feel part of their community by taking part in visits to local facilities and places of interest in the village as well as receiving organised visitors from members of the local community. The charity adheres to the EYFS Statutory Framework 2021 as set out by the Department for Education to meet the learning, development and care of the children enrolled. The voluntary management committee and parents, together with the staff, undertake fundraising activities as required.

The Preschool has been established for 36 years and has a full complement of staff, including a Preschool Manager and Preschool Deputy Manager.

The charity has 23 children on the register as at March 2021.

Financial review for Year Ending 31 December 2021

The accounts have been compiled for submission to the Charity Commission once they receive the trustee report.

As of 31 December 2021, the charity had a total of £31,311 in its bank accounts at HSBC. This consisted of £6,619 in the two reserve accounts and £24,692 in the current account.

The reserve accounts have maintained a consistent balance since last year when there was £6619 as reserves.

The Preschool made payments of £46,878 in the calendar year. The incoming money was £47,198. The Preschool shows a positive difference (profit) of £320.

Government funding provides 570 hours of free early education per year. This is normally taken as 15 hours per week for 3-4 year olds. Eligible 2-year olds can also receive "Free for two" funding. The amount of government funding received per child per hour is £4.14 for 3-4 year olds and £5.18 for 2 year olds. The amount of government funding received by the Preschool was £37,693. Parents whose children are ineligible for government funding or who want additional hours for their children pay £5.00 per hour. In addition, all parents are asked to make a voluntary donation of £0.50 per three-hour session to cover additional costs. Funding from parents totalled £8,070.

The charity currently sustains itself financially and remains above its reserves.

Reserves policy

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's activities whilst consideration is given to ways in which additional funds can be raised. The committee considers that this obligation has been met for the financial period ending 31 December 2021. Consideration will be given during Financial Year 2022 to transferring additional funds from the current account to the reserves accounts to ensure that this money is better ring-fenced, with the equivalent of three month's non-discretionary expenditure (i.e. staff costs, building occupation costs and insurances) held in the reserves account.

Financial recommendations

The charity accounts for the period ending 31 December 2021 have shown the charity to be able to match expenditure to income. Although the committee was pleased with the positive balance shown in the accounts, this was due to:

- The Preschool remaining popular and operating at close to capacity
- No expenditure or large outgoings together with the spending policy operated by the Preschool staff.

Current income from the government and parents are only just sufficient to sustain the current operation of the Preschool. Even given increases in government funding of around 3%, the current rate of inflation, the cost of living crisis and increases in both Minimum Wage and the wages offered in alternate industries, mean that the charity will need to consider how to sustain itself financially and attract and retain staff.

This report was approved by the Board of Trustees on 12 May 2022 and signed on its behalf by

Cl Deaves

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CLAIRE DEAVES

Chair

Alex Davies

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ALEX DAVIES

Treasurer

Independent Examiner's Report to the Trustees of Frittenden Pre-School

I report on the accounts of the charity for the year ended 31 December 2021 which comprise the trustees' report, receipts and payments account, and statement of assets and liabilities.

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 needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- 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 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 statement 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 comply with the accounting requirements of the 2011 Acthave 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.



Richard Nelson FCCA
Breckman & Company Ltd
Chartered Certified Accountants

49 South Molton Street
London W1K 5LH

12 May 2022

FRITTENDEN PRE-SCHOOL

RECEIPTS AND PAYMENTS ACCOUNT

YEAR ENDED 31 DECEMBER 2021

RECEIPTS

Fees from parents	8,070	
Government funding	37,693	
Fundraising	801	
Donations	150	
Interest received	-	
HMRC Grants	-	
Sundries	484	47,198

PAYMENTS

Staff wages including employer's NI	39,871	
Employer Pension Contributions	696	
Insurance	754	
Professional fees	1,800	
Rates/utilities	592	
Equipment/materials	471	
Printing/postage/stationery	-	
Consumables/staff costs	1,084	
Building maintenance and services	-	
Sundries	610	45,878

NET SURPLUS

1,320

Cash funds brought forward

£ 30,127

Cash funds carried forward

£ 31,447

FRITTENDEN PRE-SCHOOL

STATEMENT OF ASSETS AND LIABILITIES

YEAR ENDED 31 DECEMBER 2021

Assets

Debtors	-
Bank	31,311
Cash	136
Total cash funds	<hr/> 31,447

Liabilities

Creditors	(680)
Accruals	(945)
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Total net assets	£	<u><u>29,822</u></u>
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