



**Chestnuts
Pre-School**

Regd. Charity 295756

(registered charity no 295756)

Annual report and accounts

Year ended 31 July 2022

Registered charity number	295756
Address	32 Chestnut Avenue Wokingham Berkshire RG41 3RS
Trustees	Helen Eastwood (Chair) Tabitha Rigden (Treasurer) Joanna Florentin (Secretary) Matthew Rigden Sabine Osborne Rebecca Corfield Ashleigh Kolodziej Jacqui Beagent
Independent Examiner	Calculus Consultancy Services Limited Chartered Certified Accountants 145 Old Woosehill Lane Wokingham Berkshire RG41 3HR

The Trustees are pleased to present their annual report and accounts for the year ended 31 July 2022.

Activities

The Charity operates a pre-school care and education setting in Wokingham, Berkshire. It is a member of the Pre-School Learning Alliance (PLA).

Constitution

The Charity was founded in 1984 and is governed by a constitution closely aligned with the model constitution provided by the PLA. The most recently updated constitution was adopted by the members at an Annual General Meeting held on 13th October 2014.

Objectives

The key aim of the pre-school is to enhance the development and education of children primarily under statutory school age through the provision of high quality Early Years care and education.

Additional important objectives include:

- encouraging parents to take responsibility for and to become involved in the activities of the group and ensuring that we offer opportunities for all children, regardless of race culture, religion or means.
- encouraging the study of the needs of children and their families and promoting public interest in and recognition of such needs in the local areas.
- encouraging parents to understand and provide for the needs of their children through community groups; and
- instigating and adhering to and furthering the aim of the Pre-school Learning Alliance (PLA).

Review of the year

The Pre-school management and staff are highly committed to providing the highest standard of Pre-school care and education, whilst endeavouring to operate the Pre-school in a financially sustainable way. The Trustees are satisfied with the overall performance of the Pre-school during the year given the challenges faced with the COVID pandemic.

Financial review

During the year ended 31 July 2022, the Charity made a loss of £31,075 (2021: loss of £14,479). The charity's reserves are £75,028 (2021: £106,103) as at 31 July 2022.

We recognise that a proportion of the reserve is to facilitate the likely rebuild of the Pre-school building in the future though the building structure remains stable and is adequately insured. This year has been particularly challenging as the effects of the pandemic have continued to be felt and this has meant we have had to use the reserve fund to help maintain adequate cashflow. The Trustees consider this level of reserves to be adequate to ensure the short/medium term financial stability of the charity. However, education funding has come under immense pressure in the past number of years and the grants received from Wokingham Borough Council are not sufficient to cover all running costs of the setting. We understand that funding and grants to be received in the next financial year will be at an increased rate and this rate will be further reviewed in April 2024. Along with increased funding we have reviewed headcount of staff and also increased the fees paid to cover non funded children and additional services the preschool offer such as lunch club. We hope these steps will help secure Chestnuts in the long term financially.

Members

The members are the parents (or other appointed guardian) of the children attending the pre-school setting, from time to time.

Trustees

The Trustees of the Charity are the managing committee of the pre-school. Under the terms of the constitution, there must be no fewer than five Trustees and no more than twelve Trustees at any time and at least 60% of the Trustees must be members of the pre-school as defined above.

Trustees are elected by the members at each AGM and serve until the next AGM (where they may stand for re-election) unless they resign before that time. If necessary (for example if a number of Trustees resign part way through a year), the existing Trustees can co-opt up to three persons to stand as Trustees until the next AGM.

The Trustees serving the Pre-school as at the date of approval of this report are those named on page 1. All were appointed or re-appointed by the members at the AGM on 4th July 2022, except Daniel Smith who resigned on 4th July 2022, Louise Bull who resigned on 20th December 2022, Angela Thomas who resigned on 6th February 2023, Jacqui Beagent who joined the Committee on 4th July 2022, Ashleigh Kolodziej who joined the Committee on 4th July 2022 and Rebecca Corfield who joined the Committee on 6th February 2023.

Approval of report

This report was approved on 30th May '22 and signed on behalf of the Trustees by:



Helen Eastwood
Chair

INDEPENDENT EXAMINER'S REPORT

Respective responsibilities of the trustees and independent 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 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. I am qualified to undertake the examination by being a qualified member of The Association of Chartered Certified Accountants.

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities 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 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 the 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 Examiners' 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 Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities 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.

Calculus .

Calculus Consultancy Services Limited
Chartered Certified Accountants
145 Old Woollah Lane
Wokingham
Berkshire
RG41 3HR

Date: 28th May 2023

Basis of preparation

The accounts are prepared on a historic cost, going concern basis. The principal accounting policies are unchanged from the previous year and are stated below.

Income and expenditure

Income and expenditure are accounted for in the year to which they relate, using the accruals basis.

Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. Depreciation is charged so as to write off the cost of an asset over its estimated useful life. The methods and rates applicable are as follows:

Leasehold buildings	-	5% per annum straight line
Equipment	-	25% reducing balance

**Chestnuts Pre-school
Income and expenditure
account**

Page 6

For the year ended 31 July 2022

	2022	£	2021	£
Operating income				
Grant funding	109,303		103,614	
Fees and charges	<u>37,616</u>	146,919	<u>28,802</u>	132,416
Other income				
Fundraising	3,355		1,912	
Donations	2,959		2,095	
Interest	21		7	
Indirect grant income	-		1,216	
Merchandise and other income	<u>143</u>	6,478	<u>74</u>	5,304
Direct costs				
Staff costs	143,255		124,021	
Teaching equipment and consumables	2,881		3,907	
Milk and refreshments	<u>1,991</u>	(148,127)	<u>1,297</u>	(129,225)
Overhead costs				
Rent, rates and insurance	4,250		3,958	
Electricity and water	6,654		3,217	
Repairs and maintenance	7,821		1,698	
Equipment, stationery and consumables	6,837		4,269	
Telephone	825		788	
Cleaning and refuse	3,367		3,476	
Depreciation	3,217		3,309	
Other	<u>3,374</u>	(36,345)	<u>2,259</u>	(22,974)
Net surplus/(loss)		<u>(31,075)</u>		<u>(14,479)</u>

	2022	£	2021	£
Fixed assets (note 1)				
Buildings	5,786		8,726	
Equipment	<u>830</u>	6,616	<u>1,107</u>	9,833
Current assets				
Bank and cash balances	106,219		126,738	
Accounts receivable and Prepayments	<u>1,526</u>		<u>1,015</u>	
	<u>107,745</u>		<u>127,753</u>	
Current liabilities				
Creditors	1,295		1,301	
Accruals, deferred income and deposits	<u>38,038</u>		<u>30,182</u>	
	<u>39,333</u>		<u>31,483</u>	
Net current assets		68,412		96,270
Net assets		<u>75,028</u>		<u>106,103</u>
Represented by				
Accumulated funds brought forward		106,103		120,582
Surplus/(deficit) for the year		(31,075)		(14,479)
Total funds (note 2)		<u>75,028</u>		<u>106,103</u>

The annual accounts were approved by the Trustees on *30th May '23* and are signed
on their behalf by:



Helen Eastwood (Chairperson)



Tabitha Rigden (Treasurer)

Note 1 - Fixed assets

	Buildings £	Equipment £	Total £
<u>Cost</u>			
At 1 August 2021	58,797	16,087	74,884
Additions	-	-	-
At 31 July 2022	58,797	16,087	74,884
<u>Depreciation</u>			
At 1 August 2021	50,071	14,980	65,051
Charge for the year	2,940	277	3,217
At 31 July 2022	53,011	15,257	68,268
<u>Net book value</u>			
At 31 July 2021	8,726	1,476	13,142
At 31 July 2022	5,786	830	6,616

**Note 2 – Funds
(unrestricted)**

	£
At 1 August 2021	106,103
Net surplus / (deficit) for the year	(31,075)
At 31 July 2022	<u>75,028</u>