

Registered Charity No: 900518

Creech St Michael Community Pre-School.

Unaudited Report and Financial Statements

for the Year Ended 31st August 2020

Creech St Michael Community Pre-School.

**Unaudited Report and Financial Statements
for the Year Ended 31st August 2020**

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Creech St Michael Community Pre-School.

**Annual Report and Financial Statements
for the Year Ended 31st August 2020**

Registered Charity Number 900518

Registered Address:

Creech St Michael Community Pre-School
Hyde Lane
Creech St Michael
Taunton
Somerset
TA3 5QQ

Trustees:

Mrs L Hammacott - Chair
Mrs H Kennard - Treasurer (Resigned 1st October 20)
Ms C Ottery
Ms J Evans-Jones (Resigned 16th June 20)
Ms V Chedzoy
Ms J Shattock (Resigned 4th September 20)
Ms Laura Lewis
Ms Nadine Watson – Acting Treasurer
Ms Lucy Prouse

Independent Examiner:

Miss A Cleaveley F.C.C.A., A.T.T
Michael J. Dodden & Co.
Chartered Certified Accountants
34 North Street
Bridgwater
Somerset
TA6 3YD

Bankers:

National Westminster Bank plc
135 Bishopsgate
London
EC2M 3UR

Creech St Michael Community Pre-School.

Annual Report of the Trustees For the Year Ended 31st August 2020

Creech St Michael Pre-School is an unincorporated Charity registered with the charity commission in England and Wales, number 900518.

The Charity is governed by its PLA P-S constitution dated 15th July 1999.

The Trustees of the Charity as listed on page 1 are appointed by the Committee at the AGM.

Aims and Objectives

The aims of the association shall be to advance the education of children below compulsory school age by (A) Providing safe and satisfying group play, in which parents have the right to take part (B) Encouraging other charitable activities through which parents may help the children (C) Furthering the aims of the pre-school playgroups association.

The objectives of the Charity are to provide education and development of the pre-school through play and learning, and to prepare them for school. The pre-school accepts childcare vouchers operated by employers in addition to the Nursery Education Funding, both of which allow inclusion for children from low income families.

The Charity operates using standard committee procedures with the financial side being undertaken by an independent officer.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Methods used to Appoint Trustees

The Trustees initially volunteer and are then nominated and seconded by the committee at an AGM/SGM/EGM. An eligibility declaration form is then completed and then the DBS/Ofsted registration process begins.

Reserves Policy

- A minimum of £10,000 should be retained to cover day to day expenditure for a period for 3 months.
- A minimum of £5,000 should be specifically retained for if the building were to become unavailable.
- A minimum of £15,000 should be retained to cover future staff costs.

As at 31 August 2020 the charities unrestricted reserves stood at £106,519 (2019: £90,822) of this £15,503 (2019: £17,146) is held as fixed assets leaving £91,016 (2019: £73,676) of free reserves. This exceeds the targeted minimum level of reserves of £30,000

Creech St Michael Community Pre-School.

Annual Report of the Trustees (continued) For the Year Ended 31st August 2020

I would like to extend a warm welcome to you all and thank you for taking the time to 'log-on' to attend our AGM. We had hoped to hold this as usual in October alongside a cheese and wine evening, but held off hoping things would improve and that we would be able to invite our parents and careers into the pre-school, in order to welcome new families and give an overview about what we as a committee do. Sadly this was not to be, but we are doing our best to be optimistic that we may be able to hold an event towards the end of the academic year.

The National Lockdown during last March last year saw us having to shut our doors. It was a time of great anxiety for many of us both in terms of the health and safety of our families and financial uncertainty. As a pre-school we took the decision to furlough our staff and make-up the shortfall in wages. We were also in the fortunate position to be able to waive fees to families for the period we were closed.

I have to say I have been impressed with how the pre-school team have responded to the pandemic. Keeping in touch with our families via Facebook and posting stories online for the children to enjoy. Behind the scenes they were also looking ahead for when we could open our doors again and as well as planning lessons, undertook a deep clean of the pre-school to make the environment as safe for our children as possible. Their resilience has been second to none, with their continuing to offer a service during the current national lockdown, so that those who chose to send their children can continue to receive a high level of care.

We have said goodbye to some familiar faces this academic year, with Donna leaving us at Christmas and Hannah Kennard who has been on the pre-school committee for many years stepping down in October. I was also hoping to step down as Chair this year, as I no longer have any little people who attend the pre-school. It has been a privilege for me to be on the committee and I have truly enjoyed working with Debra, Claire and the other members of the committee in making decisions about how the pre-school runs as well as baking more than a few cakes over the year.

It has been an exceptionally quiet year for us as a committee, with it being impossible to hold many of our annual fund-raising events. However Debra and the team were able to hold a Christmas raffle and I would like to thank those of you who donated prizes and bought tickets – at these uncertain times every penny we raise really does count.

I would like to acknowledge the support of the committee during these unprecedented times and, to those who were able, for staying on as members. I want to thank the wider community, our families and friends and hope that we can ask for your continued support to build on our success.

Creech St Michael Community Pre-School.

Annual Report of the Trustees (continued) For the Year Ended 31st August 2020

Statement of trustee's responsibilities.

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice)

The law applicable to charities in England & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

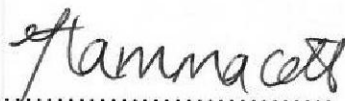
- Select suitable accounting policies and then apply them consistently.
- Observe the methods of principles in the Charities SORP;
- Make judgments and accounting estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for maintaining proper account records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provision for the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on

2020 and signed on their behalf by:



Mrs L Hammacott – Chair

11/08/2021
Date

Creech St Michael Community Pre-School.

Independent Examiner's Report to the Trustees of Creech St Michael Community Pre-School For the Year Ended 31st August 2020

I report on the accounts of Creech St Michael Community Pre-School for the year ended 31 August 2020 which are set out on pages 6 – 13.

Responsibilities and basis of report.

As the charity trustees of the charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act")

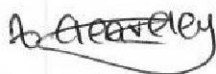
I report in respect of my examination of the charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145 (5)(b) of the Act.

Independent examiners' statement.

I have completed my examination. I can confirm that no material 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 Trust as required by section 130 of the Act; or
- (2) The accounts do not accord with those records; or
- (3) The accounts do not comply with the applicable requirements concerning the form and contents of the accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give "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 accounts to be reached.



Miss A Cleaveley F.C.C.A., A.T.T
Michael J Dodden & Co
Chartered Certified Accountants
34 North Street
Bridgwater
Somerset
TA6 3YD

Date 31/03/2021

Creech St Michael Community Pre-School**Statement of Financial Activities
For the year ended 31 August 2020**

	Unrestricted Funds £	Restricted Funds £	2020 Total £	2019 Total £
Income				
Donations & legacies	85	-	85	1,174
Charitable activities – Pre-school income	112,502	-	112,502	111,179
Other trading activities	1,787	-	1,787	2,071
Government Grants	2,000	-	2,000	0
Investment income	57	-	57	70
	116,431	-	116,431	114,494
Expenditure				
Charitable Activities – Pre-school				
Running costs	100,425	-	100,425	94,564
Other	309	-	309	457
	100,734	-	100,734	95,021
Net Income/(Expenditure)				
Net movement in funds.	15,697	-	15,697	19,473
Reconciliation of funds:				
Total Funds Brought Forward	90,822	100,756	191,578	172,105
Total Funds Carried Forward	106,519	100,756	207,275	191,578

The notes on pages 8 – 13 form part of these financial statements

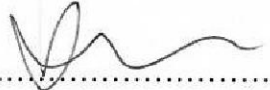
Creech St Michael Community Pre-School

Balance Sheet at 31 August 2020

	Note	2020 Total £	2019 Total £
Fixed Assets			
Land and Buildings		109,144	109,144
Plant and Machinery		7,115	8,758
		<hr/>	<hr/>
	3	116,259	117,902
		<hr/>	<hr/>
Current Assets			
Debtors		3,487	766
Cash and cash equivalents		95,061	76,486
		<hr/>	<hr/>
		98,548	77,252
		<hr/>	<hr/>
Current Liabilities			
Creditors		7,532	3,576
		<hr/>	<hr/>
Net Current Assets		91,016	73,676
		<hr/>	<hr/>
Net Assets		207,275	191,578
		<hr/>	<hr/>
The Funds of the Charity			
Restricted Funds		100,756	100,756
Unrestricted Funds		106,519	90,822
		<hr/>	<hr/>
Total Charity Funds	4	207,275	191,578
		<hr/>	<hr/>

These accounts have been approved by the committee and are signed on their behalf by:

.....  Trustee 11/03/2021 Date

.....  Trustee 16/03/2021 Date

The notes on pages 8 and 13 form part of these financial statements.

Creech St Michael Community Pre-School
Notes to the Financial Statements
For the year ended 31 August 2020

1 Accounting Policies

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value. The financial statements have been prepared in accordance with the 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 (FRS102) (effective 1 January 2015) – (Charities SORP (FRS102)) Update Bulletin 1 issued February 2016, Update Bulletin 2 issued October 2018, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The Charity constitutes a public entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

b) Income Recognition

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received, and the amount of income receivable can be measure reliably.

c) Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure, it is probably that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accrual's basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

d) Expenditure on Charitable Activities

Charitable activities comprise all costs directly incurred in undertaking activities to fulfil the Charity's objects. The cost of charitable activities consists of Pre-School running costs, support costs and governance costs. This includes all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to the independent examination.

e) Taxation

As a registered charity, the organisation is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only.

f) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading to which it was incurred

g) Fund Accounting

Funds are classified according to the manner in which they are allowed to be present. The unrestricted general fund represents the accumulation of the Charity's income and expenditure that has not been earmarked for specific projects and is not considered by the Trustees to be for a restricted purpose. To the extent that the fund is represented by readily realisable assets it provides a means of financing the day-to-day operations.

Creech St Michael Community Pre-School
Notes to the Financial Statements
For the year ended 31 August 2020

g) Fund Accounting (continued)

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

h) Tangible Fixed Assets

Tangible fixed assets include the pre-school hall and fixtures and fittings.

Individual fixed assets costing £1,000 or more are capitalised at cost.

Land and building are considered to have a high residual value that is equal to the book value of the asset because the residual value of the properties is maintained by the ongoing maintenance of the property. Accordingly, no depreciation is charged.

Works which do not result in enhancement of economic benefits of a property are charged to the Income and Expenditure Account.

Plant and machinery are stated at historical cost less depreciation so as to write off the cost of an asset over the useful economic life of that asset as follows:-

Plant and machinery – by equal instalments over 10 years.

The useful economic lives and residual values of all tangible fixed assets are reviewed annually.

i) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits and other short-term highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

j) Financial Instruments

The charity only has financial assets and liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

k) Critical Accounting Judgements and Estimation Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and adjusted for current market conditions or other factors. The Trustees make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom be exactly the same as related actual results. The estimates, assumptions and management judgements that carry a significant risk of material adjustments to the carrying amounts of assets and liabilities within the next financial year are outlined below.

l) Residual values of land and buildings

Land and buildings are not depreciated on the basis that their residual value is at least equal to their carrying value on the basis of the continual maintenance of these properties. The significant assumptions applied in determining the residual values of our buildings are mainly due to (i) whether it will continue to be necessary to maintain the properties to a certain standard (ii) the market value of the properties.

Creech St Michael Community Pre-School
Notes to the Financial Statements
For the year ended 31 August 2020

2 Trustees Remuneration and Expenses

No remuneration, other benefits or expenses have been paid to any of the trustees during the year (2019 - £nil).

3 Tangible Fixed Assets

	Land & Buildings £	Plant & Machinery £	Total £
<u>Cost</u>			
At 1 September 2019	109,144	16,434	125,578
Additions	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2020	<u>109,144</u>	<u>16,434</u>	<u>125,578</u>
<u>Depreciation</u>			
At 1 September 2019	-	7,676	7,676
Charge for year	<u>-</u>	<u>1,643</u>	<u>1,643</u>
At 31 August 2020	<u>-</u>	<u>9,319</u>	<u>9,319</u>
<u>Net Book Value</u>			
At 31 August 2020	<u>109,144</u>	<u>7,115</u>	<u>116,259</u>
At 31 August 2019	<u>109,144</u>	<u>8,758</u>	<u>117,902</u>

Creech St Michael Community Pre-School
Notes to the Financial Statements
For the year ended 31 August 2020

4 Statement of Funds

	1 September 2019 £	Income £	Expenditure £	31 August 2020 £
<u>Unrestricted Funds</u>	90,822	116,431	100,734	106,519
<u>Restricted Funds</u>				
New Hall fund	100,756	-	-	100,756
	<u>191,578</u>	<u>116,431</u>	<u>100,734</u>	<u>207,275</u>
Represented by			Unrestricted Funds £	Restricted Funds £
Fixed Assets			15,503	100,756
Net Current Assets			91,016	-
			<u>106,519</u>	<u>100,756</u>

The unrestricted funds represent free funds of the Charity, which are not designed for a particular purpose.

The pre-school purchased a new hall at a cost of £100,756 in the year ended 31 August 2007 out of funds specifically raised for this purpose.

Prior Year Statement of Funds

	1 September 2018 £	Income £	Expenditure £	31 August 2019 £
<u>Unrestricted Funds</u>	71,349	114,494	95,021	90,822
<u>Restricted Funds</u>				
New Hall fund	100,756	-	-	100,756
	<u>172,105</u>	<u>114,494</u>	<u>95,021</u>	<u>191,578</u>
Represented by			Unrestricted Funds £	Restricted Funds £
Fixed Assets			17,146	100,756
Net Current Assets			73,676	-
			<u>90,822</u>	<u>100,756</u>

Creech St Michael Community Pre-School
Notes to the Financial Statements
For the year ended 31 August 2020

5 Staff Costs

The average number of staff employed during the period was as follows:

2020	2019
11	8
<hr/>	<hr/>

The aggregate payroll costs of these persons were as follows:

	2020	2019
	£	£
Wages and salaries	79,420	72,781
Pensions	9	88
	<hr/>	<hr/>
	79,429	72,869
	<hr/>	<hr/>

There were no employees with emoluments above £60,00 in the year.

The Charity considers it keys management personnel to comprise of the nursery Manager. Total remuneration of key management was: £19,560 (2019; £19,438)

**Creech St Michael Community Pre-School
Trading Income and Expenditure Account
For the year ended 31 August 2020**

Funds	Unrestricted Funds £	Restricted Total £	2020 Total £	2019 £
Income				
Donations	85	-	85	1,174
Government Grants – Covid 19	2,000	-	2,000	0
Charitable Activities				
Fees	19,514	-	19,514	21,228
Early Years grant	92,988	-	92,988	89,951
Miscellaneous	0	-	0	168
Interest	57	-	57	70
Other Trading Activities				
Fundraising events and appeals	1,787	-	1,787	1,903
Total Income	116,431	-	116,431	114,494
Expenditure				
Charitable Activities				
Wages	79,429	-	79,429	72,869
Playgroup supplies	3,574	-	3,574	3,117
Upkeep	1,137	-	1,137	1,423
Establishment	5,906	-	5,916	5,891
Telephone	768	-	768	862
Refreshments	453	-	452	883
Training	76	-	76	180
Postage, printing & stationery	471	-	471	436
Finance service costs	4,424	-	4,424	4,644
Uniforms	852	-	852	724
Advertising	48	-	48	245
Depreciation	1,643	-	1,643	1,644
Other				
Miscellaneous	1,953	-	1,953	2,103
Total Expenditure	100,734	-	100,734	95,021
Net Income	15,697	-	15,697	19,473
Reconciliation of Funds:				
Total Funds Brought Forward	90,822	100,756	191,578	172,105
Total Funds Carried Forward	106,519	100,756	207,275	191,578