

Charity registration number 1022474

HIND LEYS PRE SCHOOL
ANNUAL REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2022

HIND LEYS PRE SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C Sharpe (Chairperson) R Sharpe S Haynes-Sprason (Treasurer) C Leeland (Appointed 4 April 2022)
Charity number	1022474
Principal address	Mobile No 2 Hind Leys College Forest Street Shepshed Leicestershire LE12 9DB
Independent examiner	Newby Castleman LLP 6 Forest Road Loughborough Leicestershire LE11 3NP
Bankers	NatWest 5 Market Place Loughborough Leicestershire LE11 3NZ

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HIND LEYS PRE SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their report together with the financial statements of the Charity for the year ended 31 August 2022.

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 Pre School's governing document, the Charities Act 2011 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Objectives and activities

The Aim of the Pre School is 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:

- 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, regardless of race, culture, religion, means or ability;
- 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;
- instigating and adhering to and furthering the aim of the Pre School Learning Alliance.

For furtherance of this aim the Pre School may:

- provide accommodation and equipment and engage staff
- raise money to pay for the Pre School's activities
- make such payments as shall be necessary
- fix and collect the fees payable in respect of children attending groups run by the Pre School
- control the admission of children to the groups run by the Pre School and, if appropriate, require parents or guardians to withdraw them
- as a member of the Pre School Association send an accredited representative to vote at local Branch and/or County meetings and to the national Annual General Meeting of the Pre School Learning Alliance
- buy, lease or rent any land and buildings and maintain and equip it for the use of the Pre School
- set aside funds for special purposes or as reserves against future expenditure
- employ such paid and unpaid staff, agents and advisors as may be required from time to time to take such other action as may benefit the Pre School.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Pre School should undertake.

The Committee recognises the assistance given by volunteers during the last year, without whose help the group would find it difficult to operate.

Achievements and performance

We have had a varied year and overcome two Ofsted struggles. We are now sitting with a Good/Outstanding judgement and we are happy with that.

We have struggled within the sector crisis to employ and retain qualified staff and with financial difficulties from our funding and from the Government, including the minimum wage increase which adds extra pressure.

However we are pleased to be here and open with a full waiting list.

Furthermore staffing is now at 100% having recently taken on two more trainee apprentices to uphold the required ratio's.

Financial review

The Pre School has experienced a deficit of £3,782 for the year.

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TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

It is the policy of the Pre School 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 considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Pre School's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The Trustees have assessed the major risks to which the Pre School is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Plans for the future

We are embarking on a new fourth area to our setting for Home school children and Flexi School. This is due to open on 1st September 2023 and will eventually help us financially.

We are about to send another staff member to qualify as a forest school level 3.

A healthy waiting list, a pair of goats and a full staff team is a promising start to 2023-24.

Structure, governance and management

The Pre School is constituted as a charity under the standard Pre School Association Constitution 1993. Membership Number 23402N2194G. The Pre School is a registered charity, number 1022474

The Trustees who served during the year were:

C Sharpe (Chairperson)

R Sharpe

S Haynes-Sprason (Treasurer)

C Leeland

(Appointed 4 April 2022)

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

C Sharpe (Chairperson)

Dated: 15 May 2023

HIND LEYS PRE SCHOOL

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF HIND LEYS PRE SCHOOL

I report on the financial statements of the Pre School for the year ended 31 August 2022, which are set out on pages 4 to 10.

Respective responsibilities of Trustees and examiner

The Pre School's Trustees are responsible for the preparation of the financial statements. 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. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination being a qualified member of Mrs Annalise Lovett FCCA.

It is my responsibility to:

- (i) examine the financial statements under section 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- (iii) 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 Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, 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 financial statements present a 'true and fair view' and the report is limited to those matters set out in the next statement.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and reporting by Charities preparing their accounts 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 Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

In connection with my examination, no other matter except that referred to in the previous paragraph has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
 - (i) to keep accounting records in accordance with section 130 of the 2011 Act; and
 - (ii) to prepare financial statements which accord with the accounting records and comply with the accounting requirements of the 2011 Act;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Newby Castleman LLP
Mrs Annalise Lovett FCCA
6 Forest Road
Loughborough
Leicestershire
LE11 3NP

Dated: 16 May 2023

HIND LEYS PRE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2022

	Notes	Unrestricted funds 2022 £
Income from:		
Donations and legacies	3	3,066
Charitable activities	4	470,530
Income from investments	5	1
		<hr/>
Total		473,597
		<hr/>
Expenditure on:		
Charitable activities		477,379
		<hr/>
Net expenditure for the year/ Net movement in funds		(3,782)
Reconciliation of funds		
Total funds brought forward		288,945
		<hr/>
Total funds carried forward		285,163
		<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

HIND LEYS PRE SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	9		9,541		11,078
Current assets					
Cash at bank and in hand		276,674		278,887	
Liabilities					
Creditors: amounts falling due within one year	10	(1,052)		(1,020)	
Net current assets			275,622		277,867
Total net assets			285,163		288,945
Charity funds					
Unrestricted funds			285,163		288,945
Total Charity funds			285,163		288,945

The financial statements were approved by the Trustees on 15 May 2023 and are signed on its behalf by:

C Sharpe (Chairperson)
Trustee

S Haynes-Sprason (Treasurer)
Trustee

HIND LEYS PRE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies

Charity information

Hind Leys Pre School is an unincorporated charity.

1.1 Basis of preparation

The financial statements have been prepared in accordance with the Pre School's [governing document], the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") 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)" (effective 1 January 2019). The Pre School is a Public Benefit Entity as defined by FRS 102.

The Pre School has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Pre School 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.

1.3 Charitable funds

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

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.

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

1.4 Incoming resources

Income is recognised when the Pre School 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 Pre School 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.

1.5 Resources expended

Expenditure is included in the financial statements as it become receivable or due. Expenses include VAT where applicable as the company cannot reclaim it.

HIND LEYS PRE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

1 Accounting policies (Continued)

1.6 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:

Portacabin & Bungalow	10% cost per year
Fixtures, fittings & equipment	25% cost per year

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.

1.7 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.

1.8 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

2 Critical accounting estimates and judgements

In the application of the Pre School's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds	Restricted funds	Unrestricted funds	Restricted funds
	2022 £	2022 £	2021 £	2021 £
Donations and gifts	3,066	-	5,437	-

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

4 Charitable activities

	2022 £	2021 £
Sales within charitable activities	463,036	420,094
Government grants	7,494	14,963
	<u>470,530</u>	<u>435,057</u>

5 Income from investments

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £
Interest receivable	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>	<u>1</u>

HIND LEYS PRE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

6 Charitable activities

	2022 £	2021 £
Staff costs	406,197	376,641
Staff training	4,044	-
Play equipment and materials	5,322	7,945
Food and consumables	9,615	6,026
Rent and rates	15,159	16,381
Light and heat	2,278	7,003
Insurance	1,046	1,233
Repairs, maintenance and refurbishment to bungalow	17,286	11,612
Printing and stationery	5,386	3,664
Telephone and internet	2,081	1,002
Sundry expenses	1,601	1,030
Bank charges	1,043	1,096
Depreciation	1,538	5,554
Accountancy and legal costs	4,783	4,533
	<u>477,379</u>	<u>443,720</u>
	<u>477,379</u>	<u>443,720</u>
Analysis by fund		
Unrestricted funds	<u>477,379</u>	
	<u>477,379</u>	
For the year ended 31 August 2021		
Unrestricted funds		<u>443,720</u>
		<u>443,720</u>

7 Employment costs

	2022 £	2021 £
Wages and salaries	<u>406,197</u>	<u>376,641</u>

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Pre School during the year.

HIND LEYS PRE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2022

9 Tangible fixed assets

	Portacabin & Bungalow equipment £	Fixtures, & fittings & equipment £	Total £
Cost			
At 1 September 2021	62,337	1,315	63,652
At 31 August 2022	62,337	1,315	63,652
Depreciation and impairment			
At 1 September 2021	51,096	1,477	52,573
Depreciation charged in the year	1,455	83	1,538
At 31 August 2022	52,551	1,560	54,111
Carrying amount			
At 31 August 2022	9,786	(245)	9,541
At 31 August 2021	11,241	(163)	11,078

10 Creditors: amounts falling due within one year

	2022 £	2021 £
Other creditors	2	-
Accruals and deferred income	1,050	1,020
	1,052	1,020