

REGISTERED CHARITY NUMBER: 1025650

**Report of the Trustees and
Unaudited Financial Statements For The Year Ended
31st July 2021
for
Claydon Pre-School**

John Phillips & Co Limited
Accountants
Unit 81 Centaur Court
Claydon Business Park
Gt. Blakenham
Ipswich
Suffolk
IP6 0NL

Claydon Pre-School

**Contents of the Financial Statements
For The Year Ended 31st July 2021**

	Page
Report of the Trustees	1 to 2
Independent Examiner's Report	3
Statement of Financial Activities	4
Balance Sheet	5
Notes to the Financial Statements	6 to 10
Detailed Statement of Financial Activities	11 to 12

Claydon Pre-School

Report of the Trustees For The Year Ended 31st July 2021

The trustees present their report with the financial statements of the charity for the year ended 31st July 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1025650

Principal address

Recreation Ground
Thornhill Road
Claydon
Suffolk
IP6 0DZ

Trustees

Ms C Lee	- resigned 16/10/2020
Miss J Prentice	
Mrs J Curtis	
Mrs E J Parker	
Mrs E Goodchild	- resigned 15/6/2021
Miss S Knighton	- resigned 9/9/2021
Miss J Newman	
Ms K Vincombe	- appointed 16/10/2020
Ms A Markham	- appointed 16/10/2020
Ms S Copeland	- appointed 16/10/2020
	- resigned 28/8/2021
Mrs J Day	- appointed 15/6/2021
	- resigned 10/9/2021
Mrs L Stanford	- appointed 13/7/2021

Independent examiner

John Phillips and Co Ltd
John Phillips & Co Limited
Accountants
Unit 81 Centaur Court
Claydon Business Park
Gt. Blakenham
Ipswich
Suffolk
IP6 0NL

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes an unincorporated charity.

Claydon Pre-School

**Report of the Trustees
For The Year Ended 31st July 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

FINANCIAL REVIEW

Reserves policy

The Reserves Policy of the Charity has been prepared and is written in the light of the Charity Commissioners' guidance "Charities and Reserves". The Reserves Policy is detailed in a separate appendix to the accounts.

Approved by order of the board of trustees on 26th October 2021 and signed on its behalf by:

A handwritten signature in red ink, appearing to be 'A Markham', with a long horizontal line extending to the right.

Ms A Markham - Trustee

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

I report on the accounts for the year ended 31st July 2021, which are set out on pages four to ten.

Responsibilities and basis of report

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

I have examined your charity's accounts as required under section 145 of the Charities Act 2011 ('the Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

My role is to state whether any material matters have come to my attention giving me cause to believe:

1. that accounting records were not kept as required by section 130 of the Act; or
2. that the accounts do not accord with those records; or
3. that the accounts do not comply with the accounting requirements of the Act; or
4. that there is further information needed for a proper understanding of the accounts.

Independent examiner's statement

I have completed my examination and have no concerns in respect of the matters (1) to (4) listed above and, in connection with following the Directions of the Charity Commission I have found no matters that require drawing to your attention.

John Phillips & Co Ltd

John Phillips and Co Ltd
John Phillips & Co Limited
Accountants
Unit 81 Centaur Court
Claydon Business Park
Gt. Blakenham
Ipswich
Suffolk
IP6 0NL

26th October 2021

Claydon Pre-School

**Statement of Financial Activities
For The Year Ended 31st July 2021**

	Notes	2021 Unrestricted fund £	2020 Total funds £
INCOMING RESOURCES			
Incoming resources from generated funds			
Activities for generating funds	2	51,749	30,261
Investment income	3	182	755
Incoming resources from charitable activities			
Grants		139,588	103,934
Other incoming resources		3,747	14,176
Total incoming resources		195,266	149,126
 RESOURCES EXPENDED			
Costs of generating funds			
Fundraising trading: cost of goods sold and other costs		(28)	823
Other resources expended		203,870	144,002
Total resources expended		203,842	144,825
 NET INCOMING/(OUTGOING) RESOURCES			
		(8,576)	4,301
 RECONCILIATION OF FUNDS			
Total funds brought forward		142,011	137,710
 TOTAL FUNDS CARRIED FORWARD		 133,435	 142,011

The notes form part of these financial statements

Claydon Pre-School

Balance Sheet
At 31st July 2021

	Notes	2021 Unrestricted fund £	2020 Total funds £
CURRENT ASSETS			
Stocks	6	-	3
Debtors	7	386	3,365
Cash at bank and in hand		138,073	145,470
		<u>138,459</u>	<u>148,838</u>
CREDITORS			
Amounts falling due within one year	8	(5,024)	(6,827)
		<u>133,435</u>	<u>142,011</u>
NET CURRENT ASSETS			
		<u>133,435</u>	<u>142,011</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>133,435</u>	<u>142,011</u>
NET ASSETS			
		<u>133,435</u>	<u>142,011</u>
FUNDS			
Unrestricted funds	9	133,435	142,011
TOTAL FUNDS			
		<u>133,435</u>	<u>142,011</u>

The financial statements were approved by the Board of Trustees on 26th October 2021 and were signed on its behalf by:



Ms A Markham -Trustee

The notes form part of these financial statements

Claydon Pre-School

Notes to the Financial Statements For The Year Ended 31st July 2021

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Charities Act 2011 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

2. ACTIVITIES FOR GENERATING FUNDS

	2021	2020
	£	£
Fundraising events	3,096	2,601
Other income	4,335	2,150
Fees	44,318	25,510
	<u>51,749</u>	<u>30,261</u>

Claydon Pre-School

**Notes to the Financial Statements - continued
For The Year Ended 31st July 2021**

3. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	182	755
	<u> </u>	<u> </u>

4. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31st July 2021 nor for the year ended 31st July 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st July 2021 nor for the year ended 31st July 2020.

5. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	121,374	121,254
	<u> </u>	<u> </u>

The average monthly number of employees during the year was as follows:

2021	2020
11	11
<u> </u>	<u> </u>

No employees received emoluments in excess of £60,000.

6. STOCKS

	2021	2020
	£	£
Stocks	-	3
	<u> </u>	<u> </u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade debtors	166	939
Other debtors	220	2,426
	<u> </u>	<u> </u>
	386	3,365
	<u> </u>	<u> </u>

Claydon Pre-School

Notes to the Financial Statements - continued
For The Year Ended 31st July 2021

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	41	105
Social security and other taxes	-	410
Other creditors	3,475	2,362
Pension Fund	627	257
Accrued expenses	881	3,693
	5,024	6,827
	5,024	6,827

9. MOVEMENT IN FUNDS

	At 1.8.20	Net movement in funds	At 31.7.21
	£	£	£
Unrestricted funds			
General fund	142,011	(8,576)	133,435
	142,011	(8,576)	133,435
TOTAL FUNDS	142,011	(8,576)	133,435

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	195,266	(203,842)	(8,576)
	195,266	(203,842)	(8,576)
TOTAL FUNDS	195,266	(203,842)	(8,576)

Claydon Pre-School

Notes to the Financial Statements - continued
For The Year Ended 31st July 2021

9. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.8.19 £	Net movement in funds £	At 31.7.20 £
Unrestricted Funds			
General fund	137,710	4,301	142,011
	<u>137,710</u>	<u>4,301</u>	<u>142,011</u>
TOTAL FUNDS	<u>137,710</u>	<u>4,301</u>	<u>142,011</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	149,126	(144,825)	4,301
	<u>149,126</u>	<u>(144,825)</u>	<u>4,301</u>
TOTAL FUNDS	<u>149,126</u>	<u>(144,825)</u>	<u>4,301</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.19 £	Net movement in funds £	At 31.7.21 £
Unrestricted funds			
General fund	137,710	(4,275)	133,435
	<u>137,710</u>	<u>(4,275)</u>	<u>133,435</u>
TOTAL FUNDS	<u>137,710</u>	<u>(4,275)</u>	<u>133,435</u>

Claydon Pre-School

Notes to the Financial Statements - continued
For The Year Ended 31st July 2021

9. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	344,392	(348,667)	(4,275)
TOTAL FUNDS	<u>344,392</u>	<u>(348,667)</u>	<u>(4,275)</u>

Claydon Pre-School

**Detailed Statement of Financial Activities
For The Year Ended 31st July 2021**

	2021	2020
	£	£
INCOMING RESOURCES		
Activities for generating funds		
Fundraising events	3,096	2,601
Other income	4,335	2,150
Fees	44,318	25,510
	51,749	30,261
Investment income		
Deposit account interest	182	755
Incoming resources from charitable activities		
Grants from SCC/Senco	139,588	103,934
Other incoming resources		
Covid Grants	3,747	14,176
	195,266	149,126
RESOURCES EXPENDED		
Fundraising trading: cost of goods sold and other costs		
Fundraising expenses	(28)	823
Other resources expended		
Wages	121,374	121,254
Premises expenses	27,368	349
	148,742	121,603
Support costs		
Management		
Other Insurance	1,113	1,105
Light and heat	1,591	1,145
Telephone	438	460
Postage and stationery	2,407	2,084
Health & Safety	886	138
Cleaning	379	933
Carried forward	6,814	5,865

This page does not form part of the statutory financial statements

Claydon Pre-School

**Detailed Statement of Financial Activities
For The Year Ended 31st July 2021**

	2021	2020
	£	£
Management		
Brought forward	6,814	5,865
Rent & Rates	1,910	1,647
Refuse	1,928	874
	<u>10,652</u>	<u>8,386</u>
Finance		
Bank charges	92	101
Other		
Travel & subs	-	2
Cost of trips	153	36
Equipment from fundraising	11,914	-
Uniform	1,697	603
Software	1,843	1,451
Refreshments	1,991	585
Repairs and renewals	12,388	3,406
Equipment	3,990	2,165
Staff Training / Welfare	1,303	1,803
Gifts	659	447
Pet Care	-	92
Bad Debts	143	47
Recruitment	90	-
	<u>36,171</u>	<u>10,637</u>
Legal and Professional		
Accountancy and legal fees	648	552
Legal Fees	7,565	2,723
	<u>8,213</u>	<u>3,275</u>
Total resources expended	<u>203,842</u>	<u>144,825</u>
Net (expenditure)/income	<u><u>(8,576)</u></u>	<u><u>4,301</u></u>

This page does not form part of the statutory financial statements



Claydon Pre-school

Thornhill Road
Claydon
Ipswich
Suffolk
IP6 0DZ
Tel: 01473 831648

admin@claydonpreschool.co.uk

Reserves Policy

Introduction

This policy is written in the light of the Charity Commissioners' guidance "Charities and Reserves" (CC19, March 2010) which states: "All charities need to develop a policy on reserves which establishes a level of reserves that is right for the charity and clearly explains to its stakeholders why holding these reserves is necessary." (CC19 page 7).

"Reserves are that part of a charity's unrestricted funds that is freely available to spend on any of the charity's purposes. This definition excludes restricted income funds and endowment funds, although holding such funds may influence a charity's reserves policy. Reserves will also normally exclude tangible fixed assets held for the charity's use and amounts designated for essential future spending." (CC19 page 6).

More specifically SORP 2000 defines reserves as income which becomes available to the charity and is to be spent at the trustees' discretion in furtherance of any of the charity's objects (sometimes referred to as 'general purpose' income); but which is not yet spent, committed or designated (ie is 'free'). This definition of reserves therefore normally excludes permanent endowment; expendable endowment; restricted funds; any part of unrestricted funds not readily available for spending, specifically: income funds which could only be realised by disposing of fixed assets held for charity use and programme related investments.

The reserves policy should cover as a minimum:

- the reason why the charity needs reserves; (CC19 page 7)
- what level (or range) of reserves the trustees believe the charity needs; (CC19 page 9)
- what steps the charity is going to take to establish or maintain reserves at the agreed level (or range); (CC19 page 9) and
- arrangements for monitoring and reviewing the policy. (CC19 page 9).

Why Claydon Pre-school needs Reserves

Income

Income varies from term to term, dependant on the number of children attending the Pre-school, age of children, and qualifications of staff. Sources of income are from privately funded children, Early Education Funding, sales of uniform and fundraising/voluntary donations.

Planning for contingencies

- Upkeep of premises: Claydon Pre-school does not own the building from which it operates, and therefore is not responsible for its general upkeep. However, it is responsible for the outside area, so therefore Claydon Pre-school has decided it needs to have £10,000 available for emergency repairs, in order that it could continue the services run from those premises.
- Winding up charity: Claydon Pre-school has decided that, in the event of the organisation having to be wound up, it would need to have six month's running costs (£90,825) in reserves to allow for a proper running down.
- Redundancy: Claydon Pre-school has decided to keep a sum of £11,109 to cover redundancy.
- Short-term deficit: Claydon Pre-school has decided that it needs to keep £62,217 in reserves to allow for one school term of running costs should there be a short-term deficit.
- Unforeseen operational costs: (e.g. employing temporary staff to cover a long-term sick absence) Claydon Pre-school has decided to keep a sum of £12,000.00.

The level (or range) of reserves the trustees believe Claydon Pre-school needs

As at 31st July 2021 Claydon Pre-school's average monthly expenditure was £15,554. This includes an average monthly salary bill of around £11,392.

Claydon Pre-school has decided to aim to keep reserves equivalent to six month's expenditure (a sum of £90,825)

Establishing and maintaining reserves at the agreed level

Claydon Pre-school has agreed to aim for a reserves figure of £90,825. Currently, (as at 31st July 2021) it has free reserves of £86,465.34.

The current level of reserves, therefore, is equivalent to 5.6 month's expenditure.

Monitoring and reviewing the reserves policy

This policy will be reviewed annually by the Trustees of Claydon Pre-school

Produced by the Finance Administrator of Claydon Pre-school – October 2021