

**REGISTERED CHARITY NUMBER: 1025650**

**Report of the Trustees and  
Unaudited Financial Statements  
For The Year Ended 31st July 2022  
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**

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For The Year Ended 31st July 2022**

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**Claydon Pre-School**  
**Report of the Trustees**  
**For The Year Ended 31st July 2022**

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The trustees present their report with the financial statements of the charity for the year ended 31st July 2022. The trustees have adopted the provisions of 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).

**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.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

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

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity number**

1025650

**Principal address**

Recreation Ground  
Thornhill Road  
Claydon  
Suffolk  
IP6 0DZ

**Trustees**

Miss J Prentice (resigned 2/11/2021)  
Mrs J Curtis (resigned 2/11/2021)  
Mrs E J Parker  
Miss S Knighton (resigned 9/9/2021)  
Miss J Newman  
Ms K Vinecombe  
Ms A Markham  
Ms S Copeland (resigned 28/8/2021)  
Mrs J Day (resigned 10/9/2021)  
Mrs L Stanford  
E Brumhead (appointed 2/11/2021)  
Mrs E Jackson (appointed 2/11/2021)

**Claydon Pre-School**

**Report of the Trustees  
For The Year Ended 31st July 2022**

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**REFERENCE AND ADMINISTRATIVE DETAILS**

**Independent Examiner**

John Phillips and Co Limited

John Phillips & Co Limited

Accountants

Unit 81 Centaur Court

Claydon Business Park

Gt. Blakenham

Ipswich

Suffolk

IP6 0NL

Approved by order of the board of trustees on 19th October 2022 and signed on its behalf by:

A handwritten signature in black ink, appearing to be 'A Markham', written over a horizontal line.

Ms A Markham - Trustee

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

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**Independent examiner's report to the trustees of Claydon Pre-School**

I report to the charity trustees on my examination of the accounts of Claydon Pre-School (the Trust) for the year ended 31st July 2022.

**Responsibilities and basis of report**

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

**Independent examiner's statement**

I have completed my examination. I 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 content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 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.

John Phillips & Co Ltd

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

19th October 2022

**Claydon Pre-School**

**Statement of Financial Activities  
For The Year Ended 31st July 2022**

	Notes	<b>2022 Unrestricted fund £</b>	<b>2021 Total funds £</b>
<b>INCOME AND ENDOWMENTS FROM</b>			
<b>Charitable activities</b>			
Grants		<b>127,485</b>	139,588
Other trading activities	2	<b>61,747</b>	51,749
Investment income	3	78	182
Other income		<b>7,576</b>	3,747
<b>Total</b>		<b><u>196,886</u></b>	<u>195,266</u>
 <b>EXPENDITURE ON</b>			
Raising funds		<b>445</b>	(28)
Other		<b>179,843</b>	203,870
<b>Total</b>		<b><u>180,288</u></b>	<u>203,842</u>
 <b>NET INCOME/(EXPENDITURE)</b>		 <b>16,598</b>	 (8,576)
 <b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<b>133,435</b>	142,011
 <b>TOTAL FUNDS CARRIED FORWARD</b>		 <b><u><u>150,033</u></u></b>	 <u><u>133,435</u></u>

The notes form part of these financial statements

**Claydon Pre-School**

**Balance Sheet  
31st July 2022**

	Notes	<b>2022 Unrestricted fund £</b>	2021 Total funds £
<b>CURRENT ASSETS</b>			
Stocks	7	90	-
Debtors	8	(91)	386
Cash at bank and in hand		<u>155,146</u>	<u>138,073</u>
		<b>155,145</b>	<b>138,459</b>
<b>CREDITORS</b>			
Amounts falling due within one year	9	(5,112)	(5,024)
<b>NET CURRENT ASSETS</b>		<u><b>150,033</b></u>	<u>133,435</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><b>150,033</b></u>	<u>133,435</u>
<b>NET ASSETS</b>		<u><b>150,033</b></u>	<u>133,435</u>
<b>FUNDS</b>	10		
Unrestricted funds		<u><b>150,033</b></u>	<u>133,435</u>
<b>TOTAL FUNDS</b>		<u><b>150,033</b></u>	<u>133,435</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 19th October 2022 and were signed on its behalf by:



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 2022

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#### 1. ACCOUNTING POLICIES

##### **Basis of preparing the financial statements**

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

##### **Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

##### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. 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.

**Claydon Pre-School**

**Notes to the Financial Statements - continued  
For The Year Ended 31st July 2022**

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**2. OTHER TRADING ACTIVITIES**

	<b>2022</b>	2021
	<b>£</b>	£
Fundraising events	<b>2,742</b>	3,096
Other income	<b>3,277</b>	4,335
Fees	<b>55,728</b>	44,318
	<u><b>61,747</b></u>	<u>51,749</u>

**3. INVESTMENT INCOME**

	<b>2022</b>	2021
	<b>£</b>	£
Deposit account interest	<b>78</b>	182
	<u><b>78</b></u>	<u>182</u>

**4. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 31st July 2022 nor for the year ended 31st July 2021.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st July 2022 nor for the year ended 31st July 2021.

**5. STAFF COSTS**

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

	<b>2022</b>	2021
Staff	<b>14</b>	11
	<u><b>14</b></u>	<u>11</u>

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

Claydon Pre-School

Notes to the Financial Statements - continued  
For The Year Ended 31st July 2022

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6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
<b>INCOME AND ENDOWMENTS FROM</b>	
<b>Charitable activities</b>	
Grants	139,588
Other trading activities	51,749
Investment income	182
Other income	3,747
<b>Total</b>	<u>195,266</u>
<b>EXPENDITURE ON</b>	
Raising funds	(28)
Other	<u>203,870</u>
<b>Total</b>	<u>203,842</u>
<b>NET INCOME/(EXPENDITURE)</b>	(8,576)
<b>RECONCILIATION OF FUNDS</b>	
<b>Total funds brought forward</b>	142,011
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><u>133,435</u></u>

Claydon Pre-School

Notes to the Financial Statements - continued  
For The Year Ended 31st July 2022

7. STOCKS

	2022	2021
	£	£
Stocks	90	-
	<u>90</u>	<u>-</u>

8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade debtors	(91)	166
Prepayments	-	220
	<u>(91)</u>	<u>386</u>

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022	2021
	£	£
Trade creditors	1,278	41
Other creditors	3,118	3,475
Pension Fund	707	627
Accrued expenses	9	881
	<u>5,112</u>	<u>5,024</u>

10. MOVEMENT IN FUNDS

	At 1.8.21	Net movement in funds	At 31.7.22
	£	£	£
<b>Unrestricted funds</b>			
General fund	133,435	16,598	150,033
	<u>133,435</u>	<u>16,598</u>	<u>150,033</u>
<b>TOTAL FUNDS</b>	<u>133,435</u>	<u>16,598</u>	<u>150,033</u>

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

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	196,886	(180,288)	16,598
	<u>196,886</u>	<u>(180,288)</u>	<u>16,598</u>
<b>TOTAL FUNDS</b>	<u>196,886</u>	<u>(180,288)</u>	<u>16,598</u>

**Claydon Pre-School**

**Notes to the Financial Statements - continued  
For The Year Ended 31st July 2022**

**10. MOVEMENT IN FUNDS - continued**

**Comparatives for movement in funds**

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

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

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

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

	At 1.8.20 £	Net movement in funds £	At 31.7.22 £
<b>Unrestricted funds</b>			
General fund	142,011	8,022	150,033
<b>TOTAL FUNDS</b>	<u>142,011</u>	<u>8,022</u>	<u>150,033</u>

Claydon Pre-School

Notes to the Financial Statements - continued  
For The Year Ended 31st July 2022

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**10. 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 £
<b>Unrestricted funds</b>			
General fund	392,152	(384,130)	8,022
<b>TOTAL FUNDS</b>	<u>392,152</u>	<u>(384,130)</u>	<u>8,022</u>

**11. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31st July 2022.

**Claydon Pre-School**

**Detailed Statement of Financial Activities  
For The Year Ended 31st July 2022**

	2022	2021
	£	£
<b>INCOME AND ENDOWMENTS</b>		
<b>Other trading activities</b>		
Fundraising events	2,742	3,096
Other income	3,277	4,335
Fees	55,728	44,318
	61,747	51,749
<b>Investment income</b>		
Deposit account interest	78	182
<b>Charitable activities</b>		
Grants from SCC/Senco	127,485	139,588
<b>Other income</b>		
Covid Grants	401	3,747
Insurance Claim	7,175	-
	7,576	3,747
<b>Total incoming resources</b>	<b>196,886</b>	<b>195,266</b>
<b>EXPENDITURE</b>		
<b>Other trading activities</b>		
Fundraising expenses	445	(28)
<b>Other</b>		
Wages	138,383	121,374
Premises expenses	908	27,368
	139,291	148,742
<b>Support costs</b>		
<b>Management</b>		
Other Insurance	1,321	1,113
Light and heat	1,448	1,591
Telephone	428	438
Carried forward	3,197	3,142

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 2022**

	2022	2021
	£	£
<b>Management</b>		
Brought forward	3,197	3,142
Postage and stationery	3,549	2,407
Health & Safety	629	886
Cleaning	275	379
Rent & Rates	1,739	1,910
Refuse	1,151	1,928
	<u>10,540</u>	<u>10,652</u>
<b>Finance</b>		
Bank charges	126	92
<b>Other</b>		
Cost of trips	137	153
Equipment from fundraising	-	11,914
Uniform	1,042	1,697
Software	1,901	1,843
Refreshments	2,994	1,991
Repairs and renewals	4,337	12,388
Equipment	3,722	3,990
Staff Training / Welfare	2,075	1,303
Gifts	981	659
Bad Debts	160	143
Recruitment	-	90
	<u>17,349</u>	<u>36,171</u>
<b>Governance costs</b>		
Accountancy and legal fees	780	648
Legal Fees	11,757	7,565
	<u>12,537</u>	<u>8,213</u>
Total resources expended	<u>180,288</u>	<u>203,842</u>
<b>Net income/(expenditure)</b>	<u>16,598</u>	<u>(8,576)</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

## Reserves Policy

### Introduction

This policy is written in the light of the Charity Commissioners' guidance "Charity Reserves: Building Resilience" (CC19, updated January 2016) 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 3.2).

*"Reserves are that part of a charity's unrestricted funds that is freely available to spend on any of the charity's purposes. The starting point for calculating the amount of reserves held is therefore the amount of unrestricted funds held by the charity. However, some or all of the unrestricted funds of a charity may not be readily available for spending. This is because spending those funds may adversely impact on the charity's ability to deliver its aims. The items that should be excluded from reserves are:*

- *tangible fixed assets used to carry out the charity's activities, such as land and buildings*
  - *programme-related investments, those held solely to further the charity's purposes*
  - *designated funds set aside to meet essential future spending, such as funding a project that could not be met from future income*
  - *commitments that have not been provided for as a liability in the accounts."*
- (CC19 3.1).

The reserves policy should cover as a minimum:

- the reason why the charity needs reserves; (CC19 3.2)
- what level (or range) of reserves the trustees believe the charity needs; (CC19 3.4)
- what steps the charity is going to take to establish or maintain reserves at the agreed level (or range); (CC19 3.5) and
- arrangements for monitoring and reviewing the policy.

### Why Claydon Pre-school needs Reserves

Claydon Pre-school provides early-years childcare services to children in the local community. The charity's income varies from term to term, dependant on the number of children attending the Pre-school and the age of those children. Sources of income are from privately funded children, Early Education Funding, sales of uniform and fundraising/voluntary donations.

## Designated Funds

Claydon Pre-school holds regular fundraising events at which money is raised to be spent on specific projects or equipment that will enhance the lives of children within our care. As at 31<sup>st</sup> July 2022 the balance of unspent fundraising income totalled £2,733.16. It is intended to use this money within the next academic year to provide improve and enhance the sandpit area within the setting.

## Planning for Contingencies

The trustees have set a level equivalent to 3 months annual turnover for the organisation as a desired level of reserve. This fund is a contingency in the event of a sudden reduction in income to protect the future operation of the organisation from the effects of any unforeseen variations in its income and expenditure.

The trustees have designated reserves where there are planned commitments that cannot be met by anticipated future income alone. These reserves are broken down into a number of funds that relate to:

- The organisation's responsibilities as an employer to hold sufficient funds to provide proper notice and redundancy costs in the event of closure.
- The organisation's responsibilities as a leaseholder to repair and maintain the outside areas of the Pre-school.
- The organisation's desire to expand and improve the premise's facilities to increase capacity.
- The organisation's responsibility to maintain equipment in order to ensure the safety of its employees and beneficiaries.

The amounts of reserves are specified in the table as follows:

<b>Unrestricted Funds represented by:</b>	<b>Desired Reserves</b>	<b>Balance as at 31<sup>st</sup> July 2022</b>	<b>Description of funds</b>
General Purpose Reserve	47,552	29,053	To bridge any possible delays in the receipt of income or funding grants, to provide cash flow and to meet unforeseen expenses. This has been based on 3 month's annual turnover.
Dissolution Reserve	98,525	101,978	In the event of the organisation having to be wound up and including redundancy liabilities. This has been based on 6 month's running costs
Premises Reserve	10,000	15,269	Funds to maintain, repair and improve premises held on lease and to fulfil lease obligations with regards to maintenance of external areas
Asset Replacement	1,000	1,000	Provision to replace IT, furniture and equipment as required
<b>Total</b>	<b>157,077</b>	<b>147,300</b>	

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

The minimum reserves required is the Dissolution Reserve. These are to be used to ensure we look at every alternative before dissolution of the charity.

Claydon Pre-school has decided to aim to keep reserves in the sum of £109,525 representing the desired Dissolution Reserve, Premises Reserve and Asset Replacement Reserve. As at 31<sup>st</sup> July 2022 it has free reserves of £147,300.

## **Monitoring and reviewing the reserves policy**

Due to the nature of the organisation and the regular review of the budget, this policy should be reviewed on an annual basis to ensure

- The General Purpose Reserve and Dissolution Reserve match changes to the annual budget
- The Redundancy Reserve matches the requirements of staffing levels
- The Premises Reserve and Asset Replacement elements move forward in at least an inflationary manner

Should the budget be reduced due to the end of projects or other such occurrences then the reduction of reserves should be planned over a minimum of three years.

**POLICY DATED:** 20 Oct - 2022

**REVIEW DATE:** One year after date of policy

*Sources*

*Charity Commission Website*