



Trustees' Annual Report for the period

Period start date Period end date
 From 01 09 2019 To 31 08 2020

Section A Reference and administration details

Charity name

Other names charity is known by

Registered charity number (if any)

Charity's principal address

 Postcode

Names of the charity trustees who manage the charity

Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
Christine Foulds	Chairperson	13/10/16 - ongoing	Members
Rachel Richards	Treasurer	13/10/16 - ongoing	Members
Samantha Strick	Secretary	17/10/19 – ongoing	Members
Lauren Ladd	Deputy Chairperson	17/10/19 - ongoing	Members
Laura Hodges	Member	17/10/19 - ongoing	Members
Izabela Cholaj	Member	17/10/19 - ongoing	Members
Ewa Hoyland	Member	17/10/19 - ongoing	Members
Keena Mason	Member	18/10/18- ongoing	Members

Names of the trustees for the charity, if any, (for example, any custodian trustees)

Name	Dates acted if not for whole year

Names and addresses of advisers (Optional information)

Type of adviser	Name	Address

Name of chief executive or names of senior staff members (Optional information)

Manager; Ms Jane Patching until April 2020. Marie Butts from April 2020

Section B Structure, governance and management

Description of the charity's trusts

Type of governing document Pre-School Learning Alliance Constitution

How the charity is constituted Association

Trustee selection methods Elected by parent body at AGM

Additional governance issues (Optional information)

You **may choose** to include additional information, where relevant, about:

- policies and procedures adopted for the induction and training of trustees;
- the charity's organisational structure and any wider network with which the charity works;
- relationship with any related parties;
- trustees' consideration of major risks and the system and procedures to manage them.

Section C Objectives and activities

Summary of the objects of the charity set out in its governing document

To enhance the development and education of children under the statutory school age and to provide quality childcare for children age 2-5 years old.
To support and advice parents/carers.

1. Pre-School education for 3 and 4 year olds.
2. Childcare for 2-5 year olds.
3. Support and advice for parent/carers

Summary of the main activities undertaken for the public benefit in relation to these objects (include within this section the statutory declaration that trustees have had regard to the guidance issued by the Charity Commission on public benefit)

Additional details of objectives and activities (Optional information)

You **may choose** to include further statements, where relevant, about:

- policy on grantmaking;
- policy programme related investment;
- contribution made by volunteers.

Section D

Achievements and performance

Summary of the main achievements of the charity during the year

We continued to develop our implication of the EYFS providing high quality care and education for all children.

From March 2020 practice was impacted by Coronavirus as the country went into lockdown, however, we did still receive government funding for the summer term. We were still open during the lockdown to provide essential care for the children of key workers and vulnerable children.

Fundraising didn't happen during 2020 as coronavirus prevented us from holding events.

We continued to deliver good quality transition procedures for children leaving us to start primary school and reports from parents/carers were all very positive with children settling well into their new classrooms. Although we couldn't carry out our usual visits due to coronavirus.

We continued to implement our buildings improvement plan which will ensure our prefab buildings are properly maintained.

Section E

Financial review

Brief statement of the charity's policy on reserves

The Charity maintains a contingency reserve to cover any unforeseen expenses or unexpected reductions in funding. This designated reserve currently stands at £35,000, and it is the policy of the trustees to add to this when circumstances allow. The aim of the trustees is to hold unrestricted net current assets sufficient to meet six months' expenditure. At the balance sheet date unrestricted net current assets, including the contingency fund, amounted to £102,679, which meets the trustees aim.

Details of any funds materially in deficit

No funds were materially in deficit.

Further financial review details (Optional information)

You **may choose** to include additional information, where relevant about:

- the charity's principal sources of funds (including any fundraising);
- how expenditure has supported the key objectives of the charity;
- investment policy and objectives including any ethical investment policy adopted.

Section F**Other optional information**

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Section G**Declaration**

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)	Christine Foulds	
Full name(s)	CHRISTINE FOULDS	
Position (eg Secretary, Chair, etc)	Chair	
Date	03.02.2021	

SUNNY CORNER PRE-SCHOOL

ACCOUNTS

FOR THE YEAR TO 31ST AUGUST 2020

JOHN C WATTS F.M.A.A.T.
(Fellow Member of the Association of Accounting Technicians)

ACCOUNTANCY SERVICES

2 Runnelstone Cottages, Polgigga, St Levan, PENZANCE, Cornwall TR19 6LU
Tel: 01736 871408

STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account)

	<u>Notes</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Total Funds 2020</u>	<u>Total Funds 2019</u>
INCOME FROM					
Charitable activities					
Fees		5,048		5,048	10,784
Local authority funding		76,571		76,571	64,523
Other income		-		-	10
		<u>81,619</u>	<u>-</u>	<u>81,619</u>	<u>75,317</u>
Other trading activities					
Fundraising		135		135	697
Investments					
Bank interest		327		327	341
TOTAL INCOME		<u>82,081</u>	<u>-</u>	<u>82,081</u>	<u>76,355</u>
EXPENDITURE ON					
Raising funds		55		55	70
Charitable activities	2	79,551		79,551	70,123
Other - governance costs		1,386		1,386	912
TOTAL EXPENDITURE	3	<u>80,992</u>	<u>-</u>	<u>80,992</u>	<u>71,105</u>
NET INCOME (EXPENDITURE)		1,089	-	1,089	5,250
Transfers between funds				-	-
Net income from the year and movement in funds		1,089	- -	1,089	5,250
Reconciliation of funds					
Total Funds Brought Forward		148,069		148,069	142,819
Total Funds carried forward		<u>£ 149,158</u>	<u>£ -</u>	<u>£ 149,158</u>	<u>£ 148,069</u>

The Notes on the following pages form part of these financial statements

SUNNY CORNER PRE-SCHOOL

YEAR ENDED 31ST AUGUST 2020

BALANCE SHEET AS AT 31ST AUGUST 2020

	Note	<u>2020</u>	<u>2019</u>
FIXED ASSETS			
Tangible Assets	9	46,479	47,900
CURRENT ASSETS			
Debtors	10	686	677
Cash at bank and in hand		115,869	100,430
		<u>116,555</u>	<u>101,107</u>
Creditors: amounts falling due within one year	11	<u>13,876</u>	<u>938</u>
NET CURRENT ASSETS		102,679	100,169
NET ASSETS		<u>£ 149,158</u>	<u>£ 148,069</u>
INCOME FUNDS			
Unrestricted Funds			
General Fund	12	114,158	113,069
Designated Fund	13	35,000	35,000
Restricted Funds		-	-
TOTAL FUNDS		<u>£ 149,158</u>	<u>£ 148,069</u>

These financial statements were approved on 8th October 2020 by Rachel Richards on behalf of the Trustees

The Notes on the following pages form part of these financial statements

YEAR ENDED 31ST AUGUST 2020

STATEMENT OF CASH FLOWS

	<i>Total Funds</i> <i>2020</i>	<i>Total Funds</i> <i>2019</i>
	<u> </u>	<u> </u>
Cash flows from operating activities		
Net cash provided by operating activities	<u>16,622</u>	<u>7,164</u>
Cash flows from investment activities		
Interest	327	341
Purchase of fixed assets	(1,510)	-
	<u>(1,183)</u>	<u>341</u>
Change in cash and cash equivalents in the reporting period	15,439	7,505
Cash and cash equivalents at the beginning of the reporting period	100,430	92,925
Cash and cash equivalents at the end of the reporting period	<u>£ 115,869</u>	<u>£ 100,430</u>
Reconciliation of net income to net cash flow from operating activities:		
Net income from SOFA	1,089	5,250
Depreciation charges	2,931	2,840
Interest received	(327)	(341)
Decrease (increase) in debtors	(9)	146
(Decrease) increase in creditors	12,938	(731)
Net cash provided by operating activities	<u>£ 16,622</u>	<u>£ 7,164</u>

YEAR ENDED 31ST AUGUST 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**1. Accounting Policies****Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice - Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland.

Sunny Corner Pre-School meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The financial statements have been prepared on a going concern basis.

There are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the Charity to continue as a going concern.

Income and endowments

Voluntary income, including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the Charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Donated services and facilities

In accordance with the Charities SORP (FRS 102), the time provided by general volunteers is not recognised.

Investment income

Investment income is recognised on a receivable basis.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Accounting Policies (continued)

Charitable activities

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Other income

Material incoming resources from tax reclaims are included in the statement of financial activities at the same time as the gift to which they relate.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure; it is probable settlement is required; and the amount can be measured reliably. All costs are allocated to the expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

Costs of generating funds are the costs associated with attracting voluntary income.

Charitable activities

Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating staff costs by the time spent and other costs by their usage.

Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

Irrecoverable VAT

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible Fixed Assets

Individual fixed assets costing £100 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

YEAR ENDED 31ST AUGUST 2020

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**1. Accounting Policies (continued)****Depreciation and amortisation**

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Furniture and equipment	20% per annum on a reducing balance basis
Computers and motor vehicles	25% per annum on a reducing balance basis
Leasehold buildings	5% per annum on a reducing balance basis

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund accounting

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the Charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Financial instruments**Classification**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Recognition and measurement

Basic financial assets and liabilities are initially measured at transaction price (including transaction costs) and subsequently measured at their settlement value.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amount and the Charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled, or expires.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)**2. Charitable Activities**

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>TOTAL FUNDS 2020</i>	<i>TOTAL FUNDS 2019</i>
Day care 2-11 years:				
Salaries	43,839		43,839	39,786
Premises costs	8,067		8,067	8,013
Toys and equipment	778		778	1,214
Refreshments and consumables	15		15	-
Telephone and stationery	1,159		1,159	1,352
Sundries	608		608	612
Support costs (note 4)	25,085		25,085	19,146
	£ 79,551	-	£ 79,551	£ 70,123

3. Total expenditure

	<i>Activities Undertaken Directly</i>	<i>Support costs (Note 4)</i>	<i>TOTAL 2020</i>	<i>TOTAL 2019</i>
Costs of raising funds		55	55	70
Charitable activities (note 2)	54,466	25,085	79,551	70,123
Other - governance costs		1,386	1,386	912
	£ 54,466	£ 26,526	£ 80,992	£ 71,105

4. Analysis of Support Costs

	<i>Management and Finance staff</i>	<i>Property costs</i>	<i>Other costs</i>	<i>Total</i>
Costs of fundraising			55	55
Charitable activities	16,695	4,543	3,847	25,085
Other - governance costs (note 5)	459		927	1,386
	£ 17,154	£ 4,543	£ 4,829	£ 26,526

5. Analysis of Governance Costs

	<i>Unrestricted Funds</i>	<i>Restricted Funds</i>	<i>TOTAL FUNDS 2020</i>	<i>TOTAL FUNDS 2019</i>
Salaries	459		459	342
Annual accounts preparation	927		927	570
	£ 1,386	-	£ 1,386	£ 912

6. Net movement in funds

	<i>2020</i>	<i>2019</i>
This is stated after charging - Depreciation	£ 2,931	£ 2,840

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)**7. Staff costs**

	2020	2019
Gross wages and salaries	59,550	52,315
Employer's National Insurance		-
Employer's pension contributions	1,443	870
	£ 60,993	£ 53,185

No employee received emoluments of more than £50,000.

Four employees are accruing benefits under a money purchase pension scheme.

The average number of full time employees, analysed by function, was

	2020	2019
Activities to further the charity's objects	4	4
Management and administration	1	1
	5	5

8. Trustee Remuneration and Related Party Transactions

No trustee received remuneration or expenses during the year.

9. Tangible Fixed Assets

	<i>Furniture & Equipment</i>	<i>Computers & software</i>	<i>Buildings</i>	Total
Cost				
At 1st September 2019	13,907	5,816	96,457	116,180
Additions in year	1,510			1,510
At 31st August 2020	15,417	5,816	96,457	117,690
Depreciation				
At 1st September 2019	13,128	5,228	49,924	68,280
Charge for the year	457	147	2,327	2,931
At 31st August 2020	13,585	5,375	52,251	71,211
Net Book Value				
At 31st August 2020	£ 1,832	£ 441	£ 44,206	£ 46,479
At 31st August 2019	£ 779	£ 588	£ 46,533	£ 47,900

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Continued)

10. Debtors		2020	2019
		-	-
Operational Debtors		686	677
Prepayments		686	677
		<u>£ 686</u>	<u>£ 677</u>

11. Creditors: Amounts falling due within one year		2020	2019
		97	75
Operational creditors		323	238
Social security and other taxes		830	625
Accruals		12,626	-
Income received in advance		13,876	938
		<u>£ 13,876</u>	<u>£ 938</u>

12. Unrestricted Funds of the Charity				
	Contingency Fund	General Fund	Total 2020	Total 2019
Balance at 1st September 2019	35,000	113,069	148,069	142,819
Movement in Funds for the Year		1,089	1,089	5,250
Balance at 31st August 2020	<u>£ 35,000</u>	<u>£ 114,158</u>	<u>£ 149,158</u>	<u>£ 148,069</u>

13. Designated funds			
	Balance at 01/09/19	Transferred in the year	Balance at 31/08/20
Contingency reserve	<u>£ 35,000</u>	<u>£ -</u>	<u>£ 35,000</u>

The contingency reserve is a fund to meet unexpected contingencies should they arise.

14. Analysis of Net Assets between Total Funds				
	Net Current Assets	Fixed Assets	Total 2019	Total 2019
General Fund	67,679	46,479	114,158	113,069
Designated Funds	35,000	-	35,000	35,000
Restricted Funds			-	-
	<u>£ 102,679</u>	<u>£ 46,479</u>	<u>£ 149,158</u>	<u>£ 148,069</u>



Section A

Independent Examiner's Report

**Report to the trustees/
members of**

Charity Name
Sunny Corner Pre School

**On accounts for the year
ended**

31 st August 2020	Charity no (if any)	1039880
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Set out on pages

2 to 9
(remember to include the page numbers of additional sheets)

I report to the trustees on my examination of the accounts of the above charity for the year ended 31/08/2020 DD / MM / YYYY.

**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 report in respect of my examination of the Trust'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
examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which give me cause to believe that in, any material respect:

- the accounting records were not kept in accordance with section 130 of the Charities Act; or
- the accounts did not accord with the accounting records; or
- the accounts did 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.

Signed:

Date:

Name:

John C Watts

**Relevant professional
qualification(s) or body
(if any):**

Fellow Member of the Association of Accounting Technicians

Address:

2 Runnelstone Cottages, St Levan, Penzance, Cornwall TR19 6LU