

Chair's report 2021

Following a tough year with COVID-19, the Pre-School weathered the storm admirably and exited the tough period intact with all staff ultimately returning to back to work as normal. Whilst this is positive and demonstrates all the staff members commitment and professionalism, it doesn't come without cost - and that is that the cash reserve that had been hard won over previous years fundraising activities had been significantly depleted.

Due to lockdown restrictions there was one stretch whereby the Pre-School was forced to close its doors which meant operating with a partial staff furlough (3 furloughed, 3 drawing a wage).

During this tough period, the Pre-School demonstrated remarkable resilience in being able to continue to deliver learning to its children. This was accomplished via the children's key workers supplying relevant tasks and content with the Tapestry tool as well as Jill delivering You Tube or Facebook sessions to the entire Pre-School twice a week.

It was also during the pandemic in August 2020 that the Pre-School refurbished their kitchen facility to provide a more sanitary environment in-line with guidelines for operating in what is now a COVID-19 world.

Even with these challenges and changes to the way things had to work, Little Oaks continued to be the successful Pre-School that it has always been and provided a safe and fun environment for the children to develop key skills with fun learning games and activities.

Some other changes that COVID-19 has been a catalyst for:

- From October 2020 onwards the general delivery of Pre-School services has adapted to a more outside delivery of learning.
- In general, a greatly enhanced cleaning regime has been adopted which has resulted in higher operating costs for the Pre-School, yet a price increase has been strongly resisted.

Jill Brace (the Manager) and her team of staff members all contribute to a learning environment which allows the children to realise their own personal learning goals by really getting to know and understand each child individually. This is reflected in the way that the staff tailor activities specifically to the interests of the children whilst staying within guidelines of knowing what it is that the children will need in terms of both education fundamentals and life skills when they enter full time education at their chosen primary school.

The quality of relationships that all staff forge with their pupils can be seen very clearly when the various fundraising events occur throughout the year and the children, parents and staff are all together, there is a strong family atmosphere, and it is a joy to watch.

The pre-school operates as a non-profit making organisation that is also a registered charity. Therefore, funding for maintaining, developing, improving and running the Pre-School on a day-to-day basis comes from 3 main sources:

1. Government funding for statutory hours of attendance.
2. Extra attendance hours that are non-government funded, therefore paid by parents/guardians.
3. Fundraising events organised by the committee. This typically includes a May Fayre, a Christmas market event and several other smaller fundraising

initiatives throughout the pre-school year and holidays.

This fundraising enables the committee to remove the financial burden of running such an establishment as much as possible from the staff to allow them to focus all of their attention and energy on the children and their development.

The committee members meet regularly to liaise with and plan how to support Jill and her staff members. The committee are continually looking to replace leaving parents and also asking for more members to help ensure that the Pre-School continues to operate as best it can.

The Pre-School is in a generally good state of repair, with a number of new facilities having been added over the last few years and there are no major planned expenditures that can be foreseen outside of the items below.

This coming year, the aspirational goals of the Committee are to:

1. Organise and finalise the renewal of the lease for the grounds on which Little Oaks resides.
2. Refurbish the toilet facilities within the building.
3. Replace or recondition the access ramp to the building.

Towards the latter part of the school year, Little Oaks unfortunately had to close down between late April and July due to complications with the change in OFSTED status of the Pre-School from a "Limited Company" to a "Community group with a committee" run Pre-School.

Lastly in July 2021 Little Oaks managed to host a sports day which was the first back to normal event that they

were able to put on. All the staff, parents and children really enjoyed this event, and it was a great success as well as a nice reminder of the fact that things were hopefully edging back towards normal.

Nicola Younger
Little Oaks Chair

Balance Sheet

Notes

SoFA

Little Oaks Pre-School (Frimley)

Balance Sheet as at 31 July 2021

		Total Funds £	Prior Year Funds £
Fixed Assets			
Tangible assets	Note 11	50,902	50,902
Current Assets			
Debtors and prepayments	Note 8	5,758	665
Cash at bank and in hand		25,101	57,217
		<u>30,859</u>	<u>57,882</u>
Liabilities			
Creditors: amounts falling due within 1 year	Note 9	<u>1,571</u>	<u>1,155</u>
Net asset or liabilities excluding pension asset or liability		29,288	56,727
Defined benefit pension scheme asset or liability		0	0
Total net assets		<u>80,190</u>	<u>107,629</u>
The funds of the charity			
Endowment funds		0	0
Restricted funds		500	0
Unrestricted funds		79,690	107,629
Revaluation reserve		0	0
Pension reserve		0	0
Total charity funds		<u>80,190</u>	<u>107,629</u>

Approved by:

N. Younger

Chair

NICOLA YOUNGER

Date:

30/5/22

Little Oaks Pre-School (Frimley)

Notes to the Accounts

Year to 31 July 2021

1. Basis of preparation

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice: 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) issued on 16 July 2014

and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102)

and with the Charities Act 2011

The charity constitutes a public benefit entity as defined by FRS 102

1.2 Going concern

The trustees are of the view that funding from Surrey County Council and fees charged to parents will be sufficient to cover normal operating costs and on this basis the charity is a going concern.

1.3 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period.

2. Accounting policies

2.1 Recognition of income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met and it is probable that the income will be received and the amount can be measured reliably. Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

There has been no offsetting of assets and liabilities or income and expenses unless required or permitted by the FRS 102 SORP or FRS 102.

The charity has received government grants in the reporting period - Surrey County Council funding for children attending the Pre-School.

Income from interest, royalties and dividends: This is included in the accounts when receipt is probable and the amount receivable can be measured reliably.

2.2 Expenditure and liabilities

Liability recognition: Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty

Redundancy cost: The charity made no redundancy payments during the reporting period.

Creditors: The charity has creditors which are measured at settlement amounts less any trade discounts

Provisions for liabilities: A liability is measured on recognition at its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date

2.3 Assets

Tangible fixed assets for use by charity: These are capitalised if they can be used for more than one year, and cost at least £500.

They are valued at cost. The depreciation rates and methods used are disclosed in note 11.

Debtors: Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

3. Trustee expenses and remuneration.

No trustee expenses have been incurred.

None of the trustees have been paid any remuneration or received any other benefits from an employment with the charity or a related entity.

4. Related party transactions

There are no related party transactions.

5. Disclosure of audit, independent examination and other financial service fees

	2021	2020
	£	£
Independent examination fees	150	150

6. Grants Receivable

	2021	2020
	£	£
Coronavirus Job Retention Scheme	3,181	7,278
Surrey County Council	-	440
Covid-19 sick pay refunded	192	-
	<u>3,373</u>	<u>7,718</u>

An amount of £3181 was received under the Coronavirus Job Retention Scheme which was used to pay furlough salaries.

Statutory sick pay of £191.70 was refunded by the government under special Covid-19 rules

2020: Surrey County Council awarded an Inclusion Grant of £440 which was used to support a child with special needs.

7. Paid employees

Staff costs are comprised of

	2021	2020
	£	£
Salaries (net) and staff welfare	64,401	63,429
Social security costs	6,133	5,509
Pension contributions	1,453	168
	<u>71,987</u>	<u>69,106</u>

There are no employees who received employee benefits of more than £60,000

During the reporting period there were an average of 6 employees

8. Debtors

	2021	2020
	£	£
Trade debtors	3,974	-
Prepayments	1,784	665
	<u>5,758</u>	<u>665</u>

9. Creditors: amounts falling due within 1 year

	2021	2020
	£	£
Trade creditors	479	578

Accruals and deferred income	1,092	577
Taxation and social security	-	-
	<u>1,571</u>	<u>1,155</u>

10. Movement of Funds

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds
	£	£	£	£
Balance as at 1st August 2020	107,629	-	-	107,629
Net incoming/(outgoing) resources	- 27,939	500	-	- 27,439
Balance as at 31st July 2021	<u>79,690</u>	<u>500</u>	<u>-</u>	<u>80,190</u>

11. Tangible fixed assets

11.1 Cost

	Building Area	Play Area	Total
At beginning of year	56,066	6,095	62,161
Additions	-	-	-
Disposals	-	-	-
At end of year	56,066	6,095	62,161

11.2 Depreciation

	Building Area	Play Area	Total
At beginning of year	10,985	274	11,259
Disposals	-	-	-
Depreciation	-	-	-
Impairment	-	-	-
At end of year	10,985	274	11,259

11.3 Net Book Value

At beginning of year	45,081	5,821	50,902
At end of year	45,081	5,821	50,902

Little Oaks Pre-School (Frimley)

Statement of Financial Activities

Year to 31 July 2021

	Unrestricted Funds	Restricted Funds	Endowment Funds	Total Funds	Prior Year Funds
	£	£	£	£	£
Income and endowments from					
Donations					
Gifts and donations	4,113	500	0	4,613	0
Charitable activities					
Pre-School fees including Surrey CC funding	49,423	0	0	49,423	67,507
Grants - other	3,373	0	0	3,373	7,718
Lunch Club fees	348	0	0	348	770
Other trading activities					
Fundraising	1,409	0	0	1,409	3,848
Other income					
Late payment fees	20	0	0	20	45
Sundry income	60	0	0	60	588
Gross interest	0	0	0	0	758
	<u>58,746</u>	<u>500</u>	<u>0</u>	<u>59,246</u>	<u>81,234</u>
Expenditure on					
Raising funds					
Fundraising	97	0	0	97	530
Charitable activities					
Salaries	71,987	0	0	71,987	69,106
Premises costs	9,132	0	0	9,132	7,319
Training	710	0	0	710	0
Materials, equipment, uniform	1,277	0	0	1,277	936
Insurance	0	0	0	0	1,140
Professional fees	2,490	0	0	2,490	2,684
Administrative costs	895	0	0	895	487
Other					
Bad debts	2	0	0	2	0
Bank charges and sundry costs	95	0	0	95	108
	<u>86,685</u>	<u>0</u>	<u>0</u>	<u>86,685</u>	<u>82,310</u>
Net (expenditure)/income	-27,939	500	0	-27,439	-1,076
Transfers between funds	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Net movement in funds	-27,939	500	0	-27,439	-1,076
Reconciliation of funds					
Total funds brought forward	107,629	0	0	107,629	108,705
Total funds carried forward	79,690	500	0	80,190	107,629

Restricted Funds: £150 and £350 donations re bathroom



Section A

Independent Examiner's Report

**Report to the trustees/
members of**

Charity Name
Little Oaks Pre-School

**On accounts for the year
ended**

31st July 2021

**Charity no
(if any)**

802781

Set out on pages

1-5

(remember to include the page numbers of additional sheets)

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended **31 / 07 / 2021**.

**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 2011 Act and in carrying out my examination, I have followed 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 (other than that disclosed below *) in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

** Please delete the words in the brackets if they do not apply.*

Signed:

Date:

30th May 2022

Name:

Mrs Sheemul Fahim

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

Association of Accounting Technicians (AAT) Level 2

Address:

39 Firwood Drive

Camberley

Surrey GU15 3QD

Only complete if the examiner needs to highlight matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

Give here brief details of any items that the examiner wishes to disclose.

Independent Examination Checklist (CC32a)

The Examiner's checklist has been prepared in accordance with The Charity Commission's Direction and guidance for examiners (CC32).

Direction	Direction Heading	Complete (Y/N)	Examiner's Comment	Document Reference
1	Check whether the charity is eligible to have an independent examination	Y	The charity is permitted to have an independent examination. <ul style="list-style-type: none"> • Gross income is more than £25,000, but not more than £1 million • Aggregate value of Assets are below threshold for Audit 	Statement of Financial Activities DRAFT YE 31 st Jul 21
2	Check for any conflict of interest that prevents the examiner from carrying out their independent examination	Y	<ul style="list-style-type: none"> • No close or personal relationships with the trustee if the charity exist • Examiner us not a donor or has significant influence • Examiner has no involvement in day to day administration of the charity 	n/a
3	Record your independent examination	Y	Paper and Electronic copies of: <ul style="list-style-type: none"> • Appointment letter from Snell Associated • Fee invoice for independent examination • Independent examiner's report on the accounts • Sample Documents Reviewed 	Paper and Electronic copies available of records Appendix A
4	Plan the independent examination	Y	<ul style="list-style-type: none"> • the charity's constitution - Checked • the way the organisation is controlled and managed – Checked • whether action has been taken on any previous recommendations for improvement • Ofsted Report 31st October 2017 – Improvement actions seen in Chairs Report 2021 • the accounting records and systems – Checked • the charity's structure, its funds and how fund balances changed in the year – Checked • the charity's activities in the year and spending and the financial risks the charity faces – Chair's Report 2021 	Little Oaks website; About Us Ofsted Inspection Kashflow Connect Accounting System Chair's Report 2021
5	Check that accounting records are kept to the required standard	Y	<ul style="list-style-type: none"> • The accounting records are up to date and readily available. They provide sufficient information from which the charity's financial position can be understood for the fiscal year • Details of income and expenditure have been recorded. Details of assets and liabilities have been recorded. 	Kashflow Connect Accounting System Bank Statements Payroll Reports

			<ul style="list-style-type: none"> Records including vouchers, invoices, bank statements, etc., have been kept to support the accounts 	<p>Customer Fee Invoices</p> <p>Supplier Invoices</p>
6	Check that the accounts are consistent with the accounting records	Y	<ul style="list-style-type: none"> The accounts of the charity have been compared with the charity's accounting records in sufficient detail. The examiner can reasonably conclude that the accounts are not materially inconsistent. 	<p>Kashflow Connect Accounting System</p> <p>Bank Statements</p> <p>Payroll Reports</p> <p>Customer Fee Invoices</p> <p>Supplier Invoices</p>
7	If the accounts are prepared on an accruals basis and one or more related party transactions took place the examiner must check if these were properly disclosed in the notes to the accounts.	Y	No Related Party Transactions disclosed	Notes to the Accounts, Section 4
8	Check the reasonableness of the significant estimates and judgments and accounting policies used in accounting for the types of fund held and in the preparation of the accounts	Y	The accounts have been prepared on the basis of historic cost convention, with items recognised at cost or transaction value	Notes to the Accounts, Section 1
9	The examiner must check whether the trustees have considered the financial circumstances of the charity at the end of the reporting period and, if the accounts are prepared on an accruals basis, check whether the trustees have made an assessment of the charity's position as a going concern when approving the accounts	Y	<p>Minutes from the Trustees confirming their assessment of Going Concern and reserve policy</p> <p>Notes to the account indicate funding from Surrey County Council and Fees from Parents are sufficient to cover operating cost</p>	<p>Chair's Report 2021</p> <p>Notes to Accounts: 1.2 Going Concern</p>
10	Check the form and content of the accounts	Y	The accounts have been prepared in accordance of Statement of Recommended Practice (SORP), The Charities Act and FRS 102	
11	Identify items from the analytical review of the accounts that need to be followed up for further explanation or evidence	Y	No items identified which require follow up	n/a
12	Compare the trustees' annual report with the accounts	Y	Accounts compared to Chairs Report – Specifically Furlough payments were noted.	Chair's Report 2021
13	Write and sign the independent examination report	Y	As per document coversheet	Page 1 of this document

Appendix A - Sample Documents Reviewed

Voucher, Invoices, Remittance, Bank Statements, Monthly Payroll Report

Source Document	Category	Purpose	Reconciled to Accounts
Lloyds Bank Statement	Current Asset	Show year end cash balance	Yes
Invoice The Kite Academy (GRSI 150)	Current Liability	Year end accrual balance for Rent	Yes
Monthly Payroll Report vs Bank Statement	Expenditure	Reconcile Dec-20 and Jul-21 Monthly Payroll Reports to Bank Statement/Transaction	Yes
Surrey CC Remittance Advice (REF: 7200258141)	Current Asset	Year End Trade Debtors (10 th Aug-21)	Yes
The Grove Primary School (GRSI 160)	Expenditure	Professional Fees (Legal Fees) relating to premises Lease vs Bank Statement	Yes
Eon Gas Invoice (H1905C5F16) Lloyds Bank Statement	Expenditure	28 th Oct-20 Utility Bill, monthly DD,	Yes
Surrey County Council	Income (Grant)	Confirmation of Grant Payment from local authority in April 2021. Voucher, Kashflow and Bank Statement checked	Yes
Fee Invoice / Email / Kashflow / Bank Statement	Income (Fee)	Validate Fee Income from Parents Inv 1333 (Mar-21)	Yes

Additional Notes;

Kashflow Connect System, is the Accounting package used. A sample review of data and transactions was conducted which included;

- Supplier Invoices
- Customer invoices
- Journal entries
- Reports, including P&L, Balance Sheet and Trial Balance

The system data was reconciled to Bank Statements and paper documents, e.g. physical invoices, email correspondences, etc.