

**ST JOSEPH'S PRE-SCHOOL**

**FINANCIAL STATEMENTS**

**FOR**

**31 AUGUST 2016**

Charity Number 1153598

CHARITY COMMISSION  
FIRST CONTACT

23 JUN 2017

ACCOUNTS  
RECEIVED

**DERBY COMMUNITY ACCOUNTANCY SERVICE**

Babington Lodge  
128 Green Lane  
Derby  
DE1 1RY

# **ST JOSEPH'S PRE-SCHOOL**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2016**

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# ST JOSEPH'S PRE-SCHOOL

## TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 AUGUST 2016

### Board of Trustees

Fr John Trenchard	
Mrs Carol Farrugia	(Appointed 17 October 2016)
Ms Mary Hague	(Appointed 17 October 2016)
Mrs Natasha Callaghan	(Appointed 17 October 2016)
Mrs Rachel Lewis	(Appointed 16 January 2017)
Mrs Nicola Allen	(Resigned 21 June 2016)
Mrs Sarah Barnett	(Resigned 21 June 2016)
Mrs Kerri Toolan	(Resigned 17 October 2016)
Mrs Angelina Brett	(Resigned 21 June 201)
Mrs Patricia Dziunka	(Resigned 17 October 2016)

### Chair Person

Mrs Carol Farrugia

### Pre-School Managers

Mrs Theresa Hall  
Mrs Kirsty Sharp

### Registered Office

St Joseph's Pre- school  
Mill Hill Lane  
Derby  
DE23 6SB

### Independent Examiner

Derby Community Accountancy Service  
Babington Lodge  
128 Green Lane  
Derby  
DE1 1RY

# **ST JOSEPH'S PRE-SCHOOL**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 AUGUST 2016**

The Trustees, have pleasure in presenting their report and the unaudited financial statements of the charity for the year ending 31 August 2016.

### **STRUCTURE , GOVERNANCE AND MANAGEMENT**

#### **Governing document**

St Joseph's Pre-school was registered as a charity on 30 August 2013 and its principal address is Mill Hill Lane, Derby, Derbyshire DE23 6SB.

#### **Trustees Selection methods**

The recruitment of Trustees is reviewed periodically and at least on an annual basis.

#### **Risk Management**

The Trustees undertake a review of the major risks to the financial sustainability of the organisation annually and monitors the risks throughout the year.

### **OBJECTIVES AND ACTIVITIES**

The aims of the preschool are 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.

### **SUMMARY OF THE MAIN ACTIVITIES UNDERTAKEN FOR THE PUBLIC BENEFIT IN RELATION TO THESE OBJECTS**

In planning our activities for the year we kept in mind the Charity Commission's guidance on public benefit at our trustees meetings.

The charity is open to all individuals irrespective of race, gender or any other personal circumstances.

### **ACTIVITIES AND ACHIEVEMENTS**

From its creation 29 years ago as a playgroup to its current status as a pre-school, St Joseph's has always strived to support the development of happy, well motivated and confident children and recognises that each child has unique talents, learning styles and personalities. It is committed to supporting the individual social, emotional and educational needs of the children who attend in a happy, caring and safe environment where they can play, learn and grow.

St Joseph's Pre-school currently has the capacity to have 28 pre-school children attending it's setting at any one time and there are usually approximately 50 children attending the setting over the course of a week.

# **ST JOSEPH'S PRE-SCHOOL**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 AUGUST 2016**

The Pre-School is open to children from the term after they turn 3 years old although priority is given to oldest children on the waiting list. From September 2014 Pre-school accepted a limited number of children who were 2 years of age this was to support the government initiative to improve childcare options for parents and carers on low incomes.

Individual children can access their free entitlement to early years education for up to 15 hours of childcare per week. Children can also attend for additional hours over and above their 15 hour entitlement and are charged a fee for this provision.

Pre-school is open during school term times only; it is closed for all school holidays, bank holidays and St. Joseph's School Inset Days. It is open for 38 weeks of the year.

St Joseph's Pre-school is guided by the standards set out in the government's Early Years Foundation Stage Principles and its over arching mission statement is as follows:

"At St. Joseph's Pre-school we strive to provide a safe, caring, happy environment for all our children. We aim to nurture their individual needs in partnership with family and our community."

All children are integrated quickly into the ethos of pre-school which is to provide an environment where children can play, learn and grow whilst benefiting from the Christian values and way of life engendered by all those who contribute to the running of Pre-school.

Pre-school is situated in the inner city of Derby and in recent years the demographics of the area have changed. The nature and location of housing in the area have made it popular with families arriving from around the world and the housing which is now ageing has meant that the post codes in the area have a deprivation factor attached to them.

Pre-schools by their nature are a child's first introduction into the education system although there is not a statutory obligation for a child to attend.

St Joseph's Pre-school strives to make that experience a positive one. They are guided principally by the standards set out in the government's Early Years Foundation Stage Principles but the pre-school has been established for over 29 years and as such it also draws on the experience it has gained as a pre-school provider for this significant period of time.

It endeavours to build strong relationships with both the child and their parent/carer.

It operates a key person system which means that each member of staff has a small group of children for whom they have specific responsibilities. When a child joins the setting they will then have a special adult to help them settle in and who they can relate to.

This system also helps to establish good links between the home environment and pre-school and parents are encouraged to maintain regular contact with their child's key person to discuss progress made and any other issues which may arise.

# **ST JOSEPH'S PRE-SCHOOL**

## **TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 AUGUST 2016**

This is particularly important when a family is new to the area. Over 50% of children attending the setting in the previous two years have had English as an additional language. Quite often Pre-school is the first agency that a family engages with on a regular basis on arrival in the UK. It is crucial that Pre-school make this a positive experience and helps the child and family with signposting to other agencies who can support the families until they are settled.

Another crucial area which Pre-school can provide help is where children have Special Educational Needs (SEN). The highly qualified and experienced staff at Pre-school are able to identify when a child may have development, behavioural or child protection issues. Pre-school is often the first place that a child attends outside its family environment and it is often within the pre-school setting that issues are identified. Parents are encouraged to be very involved with their child's development and any issues are dealt with sensitively and professionally with the positive outcome being that the necessary outside agencies can be contacted to help and provide additional support for the family.

The role of St Joseph's Pre-school has broadened since its small beginnings as a playgroup 28 years ago. Over the years as the play group became a pre-school and then an approved provider of pre-school education St Joseph's has opened its doors to a wider range of children from different family settings and backgrounds. The pre-school was inspected by Ofsted in January 2015 and April 2017 and was deemed 'Good' in all areas.

Pre-school has always strived to maintain a sound financial base. The surplus for the year of £3,437 is another encouraging result and together with the surplus in the previous year eases the financial pressure and allows the trustees to plan for the future with more confidence.

### **Trustee Induction and Training**

All trustees have been provided with information packs on their roles and responsibilities, including Good Governance, a code for the Voluntary and Community Sector, and are encouraged to attend appropriate external training events.

### **Organisation**

The board of trustees administers the charity. It meets regularly and is supported by staff and volunteers.

**ST JOSEPH'S PRE-SCHOOL**

**TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 AUGUST 2016**

**INDEPENDENT EXAMINERS**

Derby Community Accountancy Services were appointed as independent examiners during the year and have expressed their willingness to continue in office. A resolution to re-appoint them as auditors will be put to the members at the annual general meeting.

Registered office:

St Joseph's Pre-school  
Mill Hill Lane  
Derby  
DE23 6SB

Signed on behalf of the trustees



Chairman: Mrs Carol Farrugia

Approved by the trustees on 20 June 2017

## ST JOSEPH'S PRE-SCHOOL

### INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF YEAR ENDED 31 AUGUST 2016

I report on the accounts of the charity for the year ended 31 August 2016 which are set out on pages 9 to 17.

#### **Respective responsibilities of trustees and examiner**

The trustees are responsible for the preparation of the accounts. The 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.

Having satisfied myself that the charity is not subject to an audit under charity law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

#### **Basis of independent examiner's report**

My examination was carried out in accordance with 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 accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- 1 which gives me reasonable cause to believe that, in any material respect, the requirements:
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities have not been met; or
- 2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Mark Newey ACMA  
Derby Community Accountancy Service  
Babington Lodge  
128 Green  
Derby  
DE1 1RY

20 June 2017



**ST JOSEPH'S PRE-SCHOOL  
STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31 Aug 2016 £	Total Funds Year to 31 Aug 2015 £
<b>Income from:</b>					
Donations	3	222	-	222	100
Charitable activities	4	126,397	6,563	132,960	137,907
Investment income	5	32	-	32	58
<b>Total incoming resources</b>		<b>126,651</b>	<b>6,563</b>	<b>133,214</b>	<b>138,065</b>
<b><u>Expenditure on:</u></b>					
Raising funds		-	-	-	-
Charitable activities		123,060	6,563	129,623	129,320
<b>Total expenditure</b>	6	<b>123,060</b>	<b>6,563</b>	<b>129,623</b>	<b>129,320</b>
<b>Net (expenditure) income</b>		3,591	-	3,591	8,745
Transfer between funds		(154)	154	-	-
<b>Net movement in funds</b>		<b>3,437</b>	<b>154</b>	<b>3,591</b>	<b>8,745</b>
<b>Fund balances at 1 September 2015</b>		<b>40,502</b>	<b>481</b>	<b>40,983</b>	<b>32,238</b>
<b>Fund balances at 31 August 2016</b>		<b>43,939</b>	<b>635</b>	<b>44,574</b>	<b>40,983</b>

The charity had no new or discontinued activities during the year.

The notes on pages 10 to 17 form part of these financial statements.

**ST JOSEPH'S PRE-SCHOOL  
BALANCE SHEET  
YEAR ENDED 31 AUGUST 2016**

	Note	2016		2015	
		£	£	£	£
<b>Fixed assets</b>				-	-
<b>Current assets</b>					
Debtors	11	3,239		-	
Cash at bank and in hand		61,456		60,879	
		<u>64,695</u>		<u>60,879</u>	
<b>Creditors: amounts falling due within one year</b>	12	20,121		19,896	
<b>Net current assets</b>			<u>44,574</u>		40,983
<b>Total assets less current liabilities</b>			<u>44,574</u>		<u>40,983</u>
<b>Net assets</b>			<u>44,574</u>		<u>40,983</u>
<b>The funds of the charity:</b>					
Restricted	13		635		481
Unrestricted – general reserves	13		43,939		40,502
<b>TOTAL CHARITY FUNDS</b>	14		<u>44,574</u>		<u>40,983</u>

These financial statements were approved by the trustees and authorised, and are signed on their behalf by:

Trustee

\_\_\_\_\_  
Mrs C Farrugia

*C Farrugia*

Date

20/6/17  
20th June 2017

The notes on pages 10 to 17 form part of these financial statements.

**ST JOSEPH'S PRE-SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2016**

**1. Accounting policies**

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

**1.1 Accounting convention**

These accounts have been prepared in accordance with FRS 102, "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015. The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in Sterling which is the functional currency of the charity. Monetary amounts in these financial statements to the nearest £.

The accounts have been prepared on historical cost convention apart from freehold property that is carried at market value. The principal accounting policies adopted are set out below.

These are accounts for the year ended 31 August 2016 are the first accounts of St Joseph's Pre-school prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 January 2015. The impact on the reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

**1.2 Going concern**

At the time of approving the accounts, the trustees have a reasonable expectation that the charity 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 accounts.

**1.3 Charitable Funds**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

**1.4 Incoming resources**

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Gifts in kind have been included at market value of gifts received and in assets acquired. No amounts are included in the financial statements for services donated by volunteers.

**ST JOSEPH'S PRE-SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2016**

**1.5 Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings which aggregate all costs relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in the support of the charitable activities.

**1.6 Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discounts offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**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 Creditors and provisions**

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**1.9 Financial instruments**

The charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

*Derecognition of financial liabilities*

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**1.10 Employee benefits**

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

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits/

**1.11 Taxation**

The charity is exempt from tax on income and gains falling with section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

**ST JOSEPH'S PRE-SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2016**

**2. Critical accounting estimates and judgements**

In the application of the charity'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 estimated and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

**3. Donations**

	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31 Aug 2016 £	Total Funds Year to 31 Aug 2015 £
Donations	222	-	222	100
	<u>222</u>	<u>-</u>	<u>222</u>	<u>100</u>

**4. Income from charitable activities**

	Unrestricted Funds £	Restricted Funds £	Total Funds Year to 31 Aug 2016 £	Total Funds Year to 31 Aug 2015 £
Grants	266	6,563	6,829	9,477
Funded Places & EYPP	107,656	-	107,656	105,931
Admission Fees	13,507	-	13,507	17,625
School Dinners	4,815	-	4,815	4,824
Fundraising Activities	112	-	112	-
Other charitable income	41	-	41	50
	<u>126,397</u>	<u>6,563</u>	<u>132,960</u>	<u>137,907</u>

**5. Investment income**

	Total Funds Year to 31 Aug 2016 £	Total Funds Year to 31 Aug 2015 £
Bank interest receivable (unrestricted)	<u>32</u>	<u>58</u>

**ST JOSEPH'S PRE-SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2016**

**6. Analysis of expenditure**

	<b>Total Funds Year to 31 Aug 2016 £</b>	<b>Total Funds Year to 31 Aug 2015 £</b>
Staff costs	108,317	102,488
Books Toys & Resources	3,139	4,223
Groceries & Milk	1,581	1,461
School Dinners	5,573	5,158
Repairs & Maintenance	2,068	2,603
Improvements to facilities	0	2,618
Security	0	364
Equipment	1,275	910
Water & Refuse	936	789
Hygiene	421	361
Heat & Light	2,172	1,584
Telephone	404	808
Printing, Postage & Stationery	785	1,199
Insurance	1,202	1,107
Subscriptions & CRB	190	339
Staff Uniforms	85	174
Training	321	2,107
Travel	285	74
Audit	500	500
Entertainment	73	80
Gifts	295	373
	<b>129,623</b>	<b>129,320</b>

**7. Total Charitable Activities**

	<b>Total Funds 2015-16</b>	<b>Total Funds 2014-15</b>
Unrestricted	123,060	119,589
Restricted	<u>6,563</u>	<u>9,731</u>
	<b><u>129,623</u></b>	<b><u>129,320</u></b>

**8. Net (expenditure)/income**

Net (expenditure)/income for the year is stated after charging/(crediting):

	<b>2016 £</b>	<b>2015 £</b>
Independent Examiner's Fees	<u>500</u>	<u>500</u>

**ST JOSEPH'S PRE-SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2016**

**9. Trustees and key management personnel**

The key management personnel of the charity consist of the trustees.  
The trustees did not receive remuneration.

**10. Employees**

The average monthly number of persons employed (full time equivalent) during the year was

	Year to 31 Aug 2016	Year to 31 Aug 2015
	No	No
Charitable activities	8	8
	<u>8</u>	<u>8</u>

**Employment costs**

	Year to 31 Aug 2016	Year to 31 Aug 2015
	£	£
Wages and salaries	106,510	101,104
Social security costs	1,807	1,384
	<u>108,317</u>	<u>102,488</u>

No employee earned more than £60,000 per annum.

**ST JOSEPH'S PRE-SCHOOL  
NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2016**

**11. Debtors**

	2016	2015
	£	£
Trade debtors	3,239	-
	<u>3,239</u>	<u>-</u>

**12. Creditors: Amounts falling due within one year**

	2016	2015
	£	£
Funding Received in advance for Autumn 2016	14,649	14,841
School dinners -DCC	2,371	2,371
Contingency for remedial building repairs	600	600
Taxation and social security	610	634
Accruals	1,891	1,450
	<u>20,121</u>	<u>19,896</u>

**13. Analysis of charitable funds**

**Analysis of movements in unrestricted funds**

	At 1Sept2015	Incoming	Outgoing	Transfer	At 31 Aug 2016
	£	£	£		£
General reserve	<u>40,502</u>	<u>126,651</u>	<u>(123,060)</u>	<u>(154)</u>	<u>43,939</u>
<b>Total unrestricted funds</b>	<b>40,502</b>	<b>126,651</b>	<b>(123,060)</b>	<b>(154)</b>	<b>43,939</b>
<b>Restricted funds</b>					
Fundraising reserve	362	-	-		362
Extended Hours fund	273	-	-		273
SEN Funding		6563	(6563)		-
Pump Prime funding	<u>(154)</u>	-	-	154	-
<b>Total Restricted funds</b>	<b>481</b>	<b>6,563</b>	<b>(6,563)</b>	<b>154</b>	<b>635</b>
<b>Total funds</b>	<u><b>40,983</b></u>	<u><b>133,214</b></u>	<u><b>(129,623)</b></u>	<u><b>-</b></u>	<u><b>44,574</b></u>



**ST JOSEPH's PRE-SCHOOL**  
**NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 AUGUST 2016**

**General reserve**

General reserves are the free reserves after allowing for all designated funds.

**14. Analysis of net assets between funds**

<b>Unrestricted funds</b>	<b>Tangible fixed assets £</b>	<b>Other net assets £</b>	<b>Total £</b>
Unrestricted Funds	-	43,939	43,939
<b>Restricted funds</b>			
Fundraising Reserve	-	362	362
Extended Hours Fund	-	273	273
<b>Total funds</b>	<u>-</u>	<u>44,574</u>	<u>44,574</u>

**15. Related party transactions**

The charity had no related party transactions that required disclosure.

**16. Cash generated from operations**

	<b>2016 £</b>	<b>2015 £</b>
Net (expenses)/income	<b>3,591</b>	8745
Movements in working capital		
Decrease/(increase) in debtors	<b>(3,239)</b>	1001
Increase in creditors	<b>225</b>	2781
Cash Generated from operations	<u><b>577</b></u>	<u>12527</u>