

Company registration number: 06699016
Charity registration number: 1129463

Harlow Hilltop Pre School Limited

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2018

Harlow Hilltop Pre School Limited

Harlow Hilltop Pre School Limited

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 13

Harlow Hilltop Pre School Limited

Harlow Hilltop Pre School Limited

Reference and Administrative Details

Trustees

K J Smirthwaite (termination of appointment 18 January 2018)

R Croft (termination of appointment 2 July 2018)

J Flood (termination of appointment 16 June 2018)

M D Criddle

L Clement (termination of appointment 16 June 2018))

J Davies (appointed 28 March 2018)

S Gregory (appointed 18 June 2018)

H Outhwaite (appointed 13 July 2018)

J Potts (appointed 13 July 2018)

Principal Office

Harrogate Cricket Club

St. George's Road

Harrogate

North Yorkshire

HG2 9BP

The charity is incorporated in England and Wales.

Company Registration Number

6699016

Charity Registration Number

1129463

Harlow Hilltop Pre School Limited

Trustees' Report

Report of the trustees (incorporating the directors' report) for the year ended 31st August 2018

The trustees present their report and the financial statements for the year ended 31st August 2018. The trustees, who are also the directors of Harlow Hilltop Pre-School Limited for the purposes of company law and who served during the year and up to the date set out on page 1.

Structure, governance and management

The Company is a registered charity and a company limited by guarantee (incorporated). The charity is governed by its Memorandum and Articles of Association and Trustees are appointed in accordance with these.

Harlow Hilltop Pre-school Limited trades under the name 'Little Crickets Pre School'.

The Pre-school operates under the management of a Board of Directors with the day to day operation of the company managed by the Pre-school Manager.

The Pre-School currently employs 5 members of staff and an administrator. We also have two members of staff on zero hour contracts, with plans to recruit 1 apprentice and an additional zero hour contractor.

It provides care for up to 36 two-four year old children in morning sessions and up to 26 children in the afternoon session.

The Pre-school had increased levels of take up of child places throughout the year.

The annual general meeting is held in the Summer Term and committee meetings are held every half term.

Objectives and Activities

The charity's objective is to enhance the development and education of children primarily under the statutory school age by encouraging parents to understand and provide for the needs of their children through community groups and by:

- 1 Offering appropriate play, education and care facilities, and family learning and extended hours groups, together with the right opportunities for all the children whatever their race, culture, religion, means or ability
- 2 Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in their local areas;

Achievements and performances

The Charity took over the activities of the Harlow Hilltop Pre-school on 1st September 2009

Harlow Hilltop Pre School Limited

Trustees' Report

Fundraising

During the course of the year we had various fundraising events which include:-

Wesley Chapel Coffee Mornings & Toy Sale	573
Sponsored Muddy Puddle Course	437
Winter Wonderland Fair	429
Christmas cards, raffle, shop, sing-a-long	311
Bags2School	315
September Social	175
Toddler Group	145
Easter Crafts & Raffle	95
Uniform sales	113
Nov Raffle	80
Bedtime Stories & Book Sale	70
Easyfundraising site	66
Halloween Party	56
Steph Simmons Photography	40

Total **2,905**

This is a great achievement for all the staff, parents and volunteers who we rely on to support these events, to purchase new educational aids to maintain provision of a high-quality service for our children.

Public Benefit

The trustees have had due regard to the guidance issued by the Charity Commission on Public benefit.

Achievements

- 1 A significant increase in the number of children attending the preschool with the team continuing to deliver high quality childcare to the Harrogate community.
- 2 New Treasurer and Chairperson were identified and recruited as well as additional members of the committee.
- 3 Achieved Highly Commended (2nd place) at Harrogate Mumbler Awards 2018 in the category of best pre-school.
- 4 Improvement of relations with Harrogate Cricket Club.
- 5 Achieving a balanced budget and increased financial profit to reinvest into the pre-school resources, staff training and staff wages rates.

Financial review

Reserves

- 1 Held in line with the Charity Commissions guidelines
- 2 Surpluses over this level are invested into the setting to maximise the objectives as set out above

Harlow Hilltop Pre School Limited

Trustees' Report

Funding

The charity's funding is received from three main sources:

- 1 From fund raising activities held throughout the academic year
- 2 From the payment of session fees by the Local Authority (for three to four year olds for the universal 15 hour provision).
- 3 From parents

Future considerations

With children numbers booked increasing on previous years, we are in need of additional staff to ensure ratios are maintained and we have sufficient coverage for any staff sickness and training needs, so we are recruiting for the new academic year. We will continue our marketing plan to ensure children numbers remain high and continue to offer the extended 30 hour entitlement for the next academic year.

Statements of trustees' responsibilities

The trustees (who are also directors of Harlow Hilltop Pre School Limited for the purposes of company law) are responsible for preparing the Trustees' Annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure of the charitable company for that period. In preparing these financial statement, the trustees are required to:

- Select suitable accounting policies and the apply them consistently
- Observe the methods and principles of the Charities SORP;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper records which disclose with reasonable accuracy at any time the financial position of the charitable company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking steps for the prevention and detection of fraud and other irregularities.

Small company provision

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006

Approved by the board of Trustees at its meeting on 17th January 2019 and signed on its behalf by:

.....

Simon Gregory

Trustee

Harlow Hilltop Pre School Limited

Statement of Financial Activities for the Year Ended 31 August 2018

(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Other funds	Total 2018
	Note	£	£
Income and Endowments from:			
Donations and legacies	3	2,905	2,905
Other trading activities	4	118,936	118,936
Total Income		<u>121,841</u>	<u>121,841</u>
Expenditure on:			
Other expenditure	5	(92,636)	(92,636)
Total Expenditure		<u>(92,636)</u>	<u>(92,636)</u>
Net income		<u>29,205</u>	<u>29,205</u>
Net movement in funds		29,205	29,205
Reconciliation of funds			
Total funds brought forward		<u>44,423</u>	<u>44,423</u>
Total funds carried forward	13	<u>73,628</u>	<u>73,628</u>
		Other funds	Total
			2017
	Note	£	£
Income and Endowments from:			
Donations and legacies	3	3,132	3,132
Other trading activities	4	88,143	88,143
Total Income		<u>91,275</u>	<u>91,275</u>
Expenditure on:			
Other expenditure	5	(88,251)	(88,251)
Total Expenditure		<u>(88,251)</u>	<u>(88,251)</u>
Net expenditure		<u>3,024</u>	<u>3,024</u>
Net movement in funds		3,024	3,024
Reconciliation of funds			
Total funds brought forward		<u>41,399</u>	<u>41,399</u>
Total funds carried forward	13	<u>44,423</u>	<u>44,423</u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2017 is shown in note 13.

Harlow Hilltop Pre School Limited

(Registration number: 06699016)
Balance Sheet as at 31 August 2018

	Note	2018 £	2017 £
Fixed assets			
Tangible assets	8	336	3,828
Current assets			
Debtors	9	-	3,446
Cash at bank and in hand		76,887	41,281
		<u>76,887</u>	<u>44,727</u>
Creditors: Amounts falling due within one year	10	<u>(3,595)</u>	<u>(2,465)</u>
Net current assets		<u>73,292</u>	<u>42,262</u>
Total assets less current liabilities		73,628	46,090
Creditors: Amounts falling due after more than one year	11	-	(1,667)
Net assets		<u>73,628</u>	<u>44,423</u>
Funds of the charity:			
Other funds		<u>73,628</u>	<u>44,423</u>
Total funds	13	<u>73,628</u>	<u>44,423</u>

For the financial year ending 31 August 2018 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 7 to 20 were approved by the trustees, and authorised for issue on 17th January 2019 and signed on their behalf by:

.....

Simon Gregory
Trustee

Harlow Hilltop Pre School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018

1 Charity status

The charity is a charity limited by guarantee and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

2 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.

Statement of compliance

The financial statements have been prepared in accordance with 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Harlow Hilltop Pre School Limited 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 trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

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

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Harlow Hilltop Pre School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018

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.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

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 applicable 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.

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 property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

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 charitable company 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 £0.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

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:

Land and buildings	20% straight line
Fixtures and fittings	25% reducing balance

Harlow Hilltop Pre School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other 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.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Income from donations and legacies

	Other funds £	Total 2018 £	Total 2017 £
Donations and legacies;			
Donations from individuals	2,905	2,905	3,132
	<u>2,905</u>	<u>2,905</u>	<u>3,132</u>

Harlow Hilltop Pre School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018

4 Income from other trading activities

	Other funds £	Total 2018 £	Total 2017 £
Trading income;			
Other trading income	118,795	118,795	88,118
Other income from other trading activities	141	141	25
	<u>118,936</u>	<u>118,936</u>	<u>88,143</u>

5 Other expenditure

	Note	Other funds £	Total 2018 £	Total 2017 £
Staff costs				
Wages and salaries		58,904	58,904	53,467
Pension costs		257	257	166
Other staff costs		365	365	536
Depreciation, amortisation and other similar costs		3,492	3,492	10,551
Allocated support costs		29,618	29,618	23,531
		<u>92,636</u>	<u>92,636</u>	<u>88,251</u>

6 Staff costs

The aggregate payroll costs were as follows:

	2018 £	2017 £
Staff costs during the year were:		
Wages and salaries	58,904	53,467
Pension costs	257	166
Other staff costs	365	536
	<u>59,526</u>	<u>54,169</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2018 No	2017 No
Employees	8	7
No employee received emoluments of more than £60,000 during the year.		

Harlow Hilltop Pre School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018

7 Taxation

The charity is a registered charity and is therefore exempt from taxation.

8 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 September 2017	52,009	1,309	53,318
At 31 August 2018	52,009	1,309	53,318
Depreciation			
At 1 September 2017	48,629	861	49,490
Charge for the year	3,380	112	3,492
At 31 August 2018	52,009	973	52,982
Net book value			
At 31 August 2016	-	336	336
At 31 August 2017	3,380	448	3,828

9 Debtors

	2018 £	2017 £
Prepayments	-	356
Other debtors	-	3,090
	-	3,446

10 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	-	52
Other creditors	-	26
Accruals	1,032	720
Deferred income	1,667	1,667
Other taxes and social security	896	-
	3,595	2,465

11 Creditors: amounts falling due after one year

	2018 £	2017 £
Deferred income	-	1,667

Harlow Hilltop Pre School Limited

Notes to the Financial Statements for the Year Ended 31 August 2018

12 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £257 (2017 - £166).

13 Funds

	Balance at 1 September 2017	Incoming resources	Resources expended	Balance at 31 August 2018
	£	£	£	£
Other funds	44,423	121,841	(92,636)	73,628

	Balance at 1 September 2016	Incoming resources	Resources expended	Balance at 31 August 2017
	£	£	£	£
Other funds	41,399	91,275	(88,251)	44,423

14 Analysis of net assets between funds

	Unrestricted funds	2018	2017
	General	Total funds	
	£	£	
Tangible fixed assets	336	336	3,828
Current assets	76,887	76,887	44,727
Current liabilities	(3,595)	(3,595)	(2,465)
Creditors over 1 year	-	-	(1,667)
Total net assets	73,628	73,628	44,423

15 Analysis of net funds

	At 1 September 2017	Cash flow	At 31 August 2018
	£	£	£
Cash at bank and in hand	41,281		41,281
Net debt	41,281	-	41,281