

**Pavilion Pre School**

**Charity Number: 1140059**

**Financial Statements**

**for the year ended 31st August 2018**

**Pavilion Pre School****Organisation Information**

Organisation Name:	Pavilion Pre School
Charity Number:	1140059
Governing Document:	Trust Deed dated 4th August 2010
Registered Office:	Pavilion Pre School Delph Park Avenue Aughton Ormskirk L39 5DG
Principal Business Address:	Pavilion Pre School Delph Park Avenue Aughton Ormskirk L39 5DG
Trustees:	Mrs B Stubley Mrs P Knowles Mrs A M Anderson
Manager:	Mrs J Hennessy
Bankers:	Santander UK plc Bridle Road Bootle L30 4GB
Independent Examiner:	Mr P J Collins F.C.A. Collins & Co Chartered Accountants Suite 13 Hattersley House 1 Hattersley Court Ormskirk L39 2AY

## Pavilion Pre School

### Trustees' Annual Report for the year ended 31st August 2018

The trustees present their annual report and the financial statements for the year ended 31st August 2018.

#### Reference and administrative details

The details are as set out on page 1.

The organisation became registered with the Charity Commission on 26th January 2011.

#### Trustees

The trustees who served during the year are as stated below:

Mrs B Stublely  
Mrs P Knowles  
Mrs A M Anderson

#### Structure, Governance and Management

##### Governing document

The organisation is governed by its Trust Deed dated 4th August 2010

##### Appointment of Trustees

The trustees are appointed by the charity in accordance with the Trust Deed.

##### Trustee induction and training

All new trustees are provided with a copy of the Charity Commission guidance relating to the roles and responsibilities of trustees, a copy of the last year's charity accounts, past trustee minutes and other trustees provide help and assistance throughout the induction process, no matter how long that takes.

##### Organisation

The day to day management of the charity is delegated by the trustees to the manager, Mrs J Hennessy, who reports to the trustees on a regular basis. The trustees meet on a regular basis to discuss the activities of the charity and make appropriate policy decisions as and when required.

##### Connected Organisations

Although the charity has a close working relationship with St Michael's Church of England Primary School, as they are situated in the school grounds, they are not, however, "related" parties.

##### Risk management

The organisation has reviewed their policies and systems have been established to mitigate those major risks to which the organisation is exposed. In particular with regard to Health and Safety, and Child Protection, suitable people have been identified to become the relevant officers.

##### Objective and activities

The objects of the organisation are:

- a) To provide the necessary facilities for the daily care, recreation and education of children under statutory school age.
- b) To enhance the development and education of children under statutory school age by encouraging parents to understand and provide for the educational, developmental and other needs of their children.

##### Achievements and performance during the year

During the past school year we have continued to improve the outside playing areas. Following the replacement of the grass with artificial turf, we have employed a gardener to maintain all the grass and planting area. We have been able to install an outdoor learning facility made possible by fundraising within the nursery and by very generous donations. Both of these actions have greatly lengthened the time the children can play outdoors and provided increased learning opportunities. We have also installed our own internet connection which has greatly improved the internet speed.

## Pavilion Pre School

### Trustees' Annual Report for the year ended 31st August 2018 (continued)

#### Achievements and performance (continued)

In September we employed a new member of staff as an apprentice. She has now completed her apprenticeship and has become a permanent member of staff.

With the start of 30 free hours funding, Pavilion has increased the number of children on the roll and the number of 2 year olds able to have full day nursery care.

The nursery children visited a local restaurant kitchen garden, helping to pick leeks and sow some peas as well as tasting some of the produce. The children also visited a local nursing home on their Spanish day and sang and showed the residents what they had been learning in their Spanish lessons.

#### Financial Review

##### **Results for the year**

The results for the year are set out on page 5.

#### Plans for future periods

This year we hope to increase the security of the nursery by installing new entrance and fire exit doors, security lighting to the outside of the building and are looking to install our own alarm system.

#### Reserves policy

The trustees have established the level of reserves (that is those funds that are freely available) that the charity ought to have. Reserves are needed to bridge the funding gaps between spending on salaries and other expenditure and receiving resources through childcare fees and grants that provide funding. The trustees have established a reserves policy for unrestricted reserves, whereby, in order to enable the charity to operate effectively they aim to have twelve months worth of expenditure in general fund reserves. The trustees therefore consider that the ideal level of reserves as at 31st August 2018 would be £90,000. Whilst the unrestricted reserves are only £53,355 at 31/8/2018 the trustees are looking at ways to increase them.

#### Investment powers and policy

Under the Constitution, the charity has the power to invest in any way the trustees wish.

#### Public Interest Statement

When planning our activities for the year, the trustees, gave consideration to the Charity Commission's guidance on public benefit and, in particular, the specific guidance to charities concerned with the advancement of education.

#### Statement of Trustees Responsibilities

Charity law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity for that year and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards and Statements of Recommended Practice have been
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report was approved by the trustees on the 31st March 2019 and signed on it's behalf by

.....  
Mrs B Stubbley



## **Pavilion Pre School**

### **Independent Examiner's Report to the Trustees of Pavilion Pre School**

I report to the trustees on my examination of the accounts of Pavilion Pre School (the trust) for the year ended 31st August 2018 which are set out on pages 5 to 10.

#### **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 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 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.

**Mr P J Collins F.C.A**  
**Collins & Co**  
**Suite 13 Hattersley House**  
**1 Hattersley Court**  
**Ormskirk**  
**L39 2AY**

**31st March 2019**

## Pavilion Pre School

**Statement of Financial Activities  
for the year ended 31st August 2018**

		Unrestricted Funds £	Restricted Funds £	TOTAL FUNDS	
	Note			2018 £	2017 £
<b>Income from:</b>					
Charitable activities	4	106,229	2,613	108,842	98,715
Other trading activities	2	1,253	0	1,253	349
Investments	3	99	0	99	53
<b>TOTAL INCOME</b>		<u>107,581</u>	<u>2,613</u>	<u>110,194</u>	<u>99,117</u>
<b>EXPENDITURE ON:</b>					
Charitable activities	5	89,671	3,740	93,411	85,248
<b>TOTAL EXPENDITURE</b>		<u>89,671</u>	<u>3,740</u>	<u>93,411</u>	<u>85,248</u>
<b>NET INCOME/(EXPENDITURE)</b>		17,910	(1,127)	16,783	13,869
<b>TRANSFER BETWEEN FUNDS</b>		0	0	0	0
<b>NET MOVEMENT IN FUNDS</b>		<u>17,910</u>	<u>(1,127)</u>	<u>16,783</u>	<u>13,869</u>
Balances brought forward at 1st September 2017		35,445	1,127	36,572	22,703
Total funds carried forward at 31st August 2018		<u>53,355</u>	<u>0</u>	<u>53,355</u>	<u>36,572</u>

There are no recognised gains or losses other than the net movement in funds for the above two financial years.

The notes on pages 7 to 10 form part of these accounts.

## Pavilion Pre School

## Balance Sheet at 31st August 2018

	Note	2018 £	2017 £
<b>FIXED ASSETS</b>			
Tangible fixed assets		0	0
<b>CURRENT ASSETS</b>			
Debtors - Amounts owed by parents		6,018	0
Bank Balances		55,490	39,723
Cash in Hand		216	32
Total current assets		61,724	39,755
<b>LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	8	8,369	3,183
<b>NET CURRENT ASSETS</b>		53,355	36,572
<b>TOTAL NET ASSETS</b>		53,355	36,572
<b>FUNDS OF THE CHARITY</b>			
Unrestricted Income Funds		53,355	35,445
Restricted Income Funds		0	1,127
<b>TOTAL CHARITY FUNDS</b>		53,355	36,572

Approved by the Trustees on 31st March 2019 and signed on its behalf by:

.....  
Mrs B Stubley

.....  
Mrs P Knowles

The notes on pages 7 to 10 form part of these accounts.

## Pavilion Pre School

### Notes to the Financial Statements for the year ended 31st August 2018

#### 1 Accounting policies

The financial statements have been prepared in accordance with the applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2015 - FRS 102) and the Charities Act 2011.

The financial statements have been prepared under the historical cost convention.

#### Funds

General funds represent the funds of the organisation that are not subject to any restrictions regarding their use and are available for application on the general purposes of the charity at the discretion of the trustees. Funds designated for a particular purpose by the trustees are also unrestricted.

Restricted funds are funds subject to specific conditions imposed by the donors or through the terms of an appeal.

Transfers of funds are made to recognise the release of restricted funds or to meet expenditure not covered by restricted income.

The accounts include all transactions, assets and liabilities for which the charity is held responsible in law. They do not include the accounts of groups that owe their main affiliation to another body.

#### Income

Voluntary income received by way of grants, donations and gifts is included in the Statement of Financial Activities in the year in which it is received by or on behalf of the charity. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

##### Grants receivable

Grants are credited to the Statement of Financial Activities in the year in which they are receivable.

##### Investment income

Dividends and interest are accounted for when due and payable. Interest entitlements are accounted for as they accrue. Tax recoverable on such income is recognised in the same accounting year.

#### Expenditure

##### Activities

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

##### Irrecoverable VAT

All resources expended are classified under activity headings that aggregate all costs related to the category. Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

#### Tangible Fixed Assets and depreciation

All equipment, fixtures and fittings with an original cost of less than £20,000 are written off in the year in which the expenditure was incurred on the basis that due to the nature of the charity's activities, there is no expectation that the cost of the assets will be recovered in the way of future revenues.

#### Current Assets

Amounts owing to the charity at 31st August in respect of fees, rents and other income are shown as debtors less provision for amounts that may prove uncollectible.

Short-term deposits include cash held on deposit at the bank.

#### Contingent Liabilities and Provisions

In accordance with the SORP, a contingent liability is disclosed for those grants, which do not represent liabilities, where the possible obligation, which arises from past events, will only be confirmed by the occurrence of one or more uncertain future events not wholly within the trustee's control.

Provisions are recognised for those grants where there is uncertainty as to the timing or amount, and any uncertainty regarding the amount is more than simply a matter of determining a basis for reasonable estimation of the liability arising from that constructive obligation.



## Pavilion Pre School

**Notes to the Financial Statements  
for the year ended 31st August 2018**

	Unrestricted Funds £	Restricted Funds £	TOTAL 2018 £	Unrestricted Funds £	Restricted Funds £	TOTAL 2017 £
<b>INCOME FROM:</b>						
<b>2 Other trading activities</b>						
Fund raising events	1,253	0	1,253	349	0	349
	<u>1,253</u>	<u>0</u>	<u>1,253</u>	<u>349</u>	<u>0</u>	<u>349</u>
<b>3 Investments</b>						
Bank interest received	99	0	99	53	0	53
	<u>99</u>	<u>0</u>	<u>99</u>	<u>53</u>	<u>0</u>	<u>53</u>
<b>4 Charitable activities</b>						
Pre School Childcare fees	9,107	0	9,107	34,587	0	34,587
Lancashire County Council - general	97,122	0	97,122	62,668	0	62,668
Student Placement Fees	0	0	0	0	0	0
Donations	0	1,700	1,700	0	1,100	1,100
Grants:						
AIS Support	0	913	913	0	360	360
	<u>106,229</u>	<u>2,613</u>	<u>108,842</u>	<u>97,255</u>	<u>1,460</u>	<u>98,715</u>
<b>EXPENDITURE ON:</b>						
<b>5 Charitable activities</b>						
Wages & salaries	71,953	913	72,866	68,735	360	69,095
Employers NI	0	0	0	0	0	0
Employers Pension Costs	285	0	285	208	0	208
Rent and Utility Costs	1,400	0	1,400	1,400	0	1,400
Rates & Water	678	0	678	603	0	603
Light and Heat	764	0	764	744	0	744
Insurance	1,475	0	1,475	1,411	0	1,411
Outdoor Classroom	1,346	2,700	4,046	0	0	0
Gardening	1,172	0	1,172	6,300	100	6,400
Repairs and maintenance	590	0	590	155	0	155
Craft materials,resources & equipment	2,284	120	2,404	429	195	624
Printing, postage & stationery	429	0	429	325	0	325
Hire of Equipment	1,042	0	1,042	170	0	170
Refreshments	639	0	639	645	0	645
Staff training	1,757	0	1,757	571	0	571
Cleaning	953	0	953	807	0	807
Advertising	268	0	268	0	0	0
Registration Fees	174	0	174	167	0	167
Accountancy & Independent Examiner's Fees	876	0	876	840	0	840
Sundries	1,586	7	1,593	960	123	1,083
	<u>89,671</u>	<u>3,740</u>	<u>93,411</u>	<u>84,470</u>	<u>778</u>	<u>85,248</u>

# Pavilion Pre School

## Notes to the Financial Statements for the year ended 31st August 2018

<b>6 Net incoming resources</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net incoming resources is stated after charging:		
Staff costs (see note 7)	73,151	69,303
Accountancy & Independent Examiner's Fees	876	840
	<u>73,151</u>	<u>69,303</u>

<b>7 Staff Costs</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and Salaries	72,866	69,095
Social Security Costs	0	0
Pension Costs	285	208
	<u>73,151</u>	<u>69,303</u>

The average number of full-time equivalent employees (including casual and part-time staff) employed by the charity during the year was as follows:

	<b>2018</b>	<b>2017</b>
Administration	0	0
Childcare & project workers	7	7
	<u>7</u>	<u>7</u>

During the year the organisation employed members of staff as detailed above. None (2015:None) of whom earned more than £60,000 p.a.

<b>8 Liabilities: Amounts falling due within one year</b>	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Fees in Advance	5,720	0
Trade creditors and accruals	2,649	3,183
	<u>8,369</u>	<u>3,183</u>

<b>9 Analysis of Net Assets by Fund</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total</b>
Fixed Assets	0	0	0
Current Assets	61,724	0	61,724
Current Liabilities	(8,369)	0	(8,369)
Liabilities after more than one year	0	0	0
<b>Fund Balance</b>	<u>53,355</u>	<u>0</u>	<u>53,355</u>

## Pavilion Pre School

### Notes to the Financial Statements for the year ended 31st August 2018

#### 10 Movement on funds

	At 1-Sep-17	Incoming Resources	Outgoing Resources	Transfers	At 31-Aug-18
<u>Unrestricted Funds</u>					
General Fund	35,445	107,581	(89,671)	0	53,355
Total Unrestricted funds	<u>35,445</u>	<u>107,581</u>	<u>(89,671)</u>	<u>0</u>	<u>53,355</u>
<u>Restricted Funds</u>					
AIS Fund	0	913	(913)	0	0
Canopy Fund	1,000	1,700	(2,700)	0	0
IT Fund	127	0	(127)	0	0
Total Restricted Funds	<u>1,127</u>	<u>2,613</u>	<u>(3,740)</u>	<u>0</u>	<u>0</u>
<b>Total Funds</b>	<u>36,572</u>	<u>110,194</u>	<u>(93,411)</u>	<u>0</u>	<u>53,355</u>

#### 11 Fund Details

Details of the various funds held by the organisation are as follows:

<b>Name of fund</b>	<b>Description, nature and purpose of the fund</b>
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Unrestricted funds

General Fund	Any monies not included in any other fund.
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Restricted funds

AIS Fund	This fund provides for the extra staff time aimed at helping children with Special Educational Needs.
Canopy Fund	This is funds received towards an outside canopy and classroom area.
IT Fund	This is a grant received towards the charity's Information Technology needs

#### 12 Contingent liabilities

The charity had no contingent liabilities at 31st August 2018 (2017:None).

#### 13 Capital commitments

The charity had no capital commitments at 31st August 2018 (2017: None) either contracted for or authorised by the trustees but not contracted for.