

Registered Charity No. 900518

Creech St Michael Community Pre-School
Unaudited Report and Financial Statements
for the Year Ended 31 August 2018

Creech St Michael Community Pre-School

Annual Report and Financial Statements for the Year Ended 31 August 2018

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Creech St Michael Community Pre-School

General Information

for the Year Ended 31 August 2018

Registered Charity Number: 900518

Registered Address: Creech St Michael Community Pre-School
Hyde Lane
Creech St Michael
Taunton
Somerset
TA3 5QQ

Trustees:	Mrs L. Hammacott	Chair	
	Mrs L. Hobbs	Chair	(Resigned 22 nd September 2017)
	Mrs H. Kennard	Treasurer	
	Mrs E. Tucker		(Resigned 1 st November 2017)
	Mrs H. Rowson		(Resigned 1 st November 2017)
	Mrs Z. Godfrey	Secretary	
	Miss K. Alford		(Resigned 1 st November 2017)
	Ms C. Wilson		(Resigned 28 th June 2018)
	Mrs J. Adams		(Resigned 18 th October 2018)
	Ms L. Coleman		
	Ms P. Charlton		(Resigned 23 rd May 2019)
	Ms C. Ottery		
	Ms L. Catlow		(Resigned 18 th October 2018)
	Ms J. Evans-Jones		
	Ms V. Chedzoy/Golesworthy		(Resigned 23 rd May 2019)
	Ms L. Catlow		(Appointed 18 th October 2018, Resigned 23 rd May 2018)
	Ms J. Shattock		(Appointed 18 th October 2018)
	Ms M. Baker-Dunn		(Appointed 18 th October 2018, Resigned 23 rd May 2019)
	Ms A. Chapman-Clark		(Appointed 8 November 2018, Resigned 23 May 2019)

Independent Examiner: Mr R Zelazik BA (Hons)
A C Mole & Sons
Chartered Accountants
Stafford House
Blackbrook Park Avenue
Taunton
Somerset
TA1 2PX

Bankers: National Westminster Bank plc
135 Bishopsgate
London
EC2M 3UR

**Creech St Michael Community Pre-School
Annual Report of the Trustees
for the Year Ended 31 August 2018**

Creech St Michael Pre School is an unincorporated Charity registered with the charity commission in England and Wales, number: 900518

The Charity is governed by its PLA P-S constitution dated 15 July 1999.

The Trustees of the Charity as listed on page 1 are appointed by the Committee at the AGM.

Aims and Objectives

The aims of the association shall be to advance the education of children below compulsory school age by: (A) Providing safe and satisfying group play, in which parents have the right to take part. (B) Encouraging other charitable activities through which parents may help the children. (C) Furthering the aims of the pre-school playgroups association.

The objectives of the Charity are to provide education and development of the pre-school through play and learning, and to prepare them for school. The pre-school accepts childcare vouchers operated by employers in addition to the Nursery Education Funding, both of which allow inclusion for children from low income families.

The Charity operates using standard committee procedures with the financial side being undertaken by an independent officer.

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Charity's aims and objectives and in planning future activities.

Methods Used to Appoint Trustees

The Trustees initially volunteer and are then nominated and seconded by the committee at an AGM/SGM/EGM. An eligibility declaration form is then completed and then the DBS/Ofsted registration process begins.

Reserves Policy

- A minimum of £10,000 should be retained to cover day to day expenditure for a period of 3 months.
- A minimum of £5,000 should be specifically retained for if the building were to become unavailable.
- A minimum of £15,000 should be retained to cover future staff costs.

As at 31 August 2018 the charities unrestricted reserves stood at £71,349 (2017: £63,136) of this £9,047 (2017: £10,555) is held as fixed assets leaving £62,302 (2017: £52,581) of free reserves. This exceeds the targeted minimum level of reserves of £30,000.

**Creech St Michael Community Pre-School
Annual Report of the Trustees (continued)
for the Year Ended 31 August 2018**

Review of the Year

We have seen an exceptionally busy year for the pre-school, where we have seen the number of families looking for sessions for their children increase to point of having to operate a waiting list. The mayhem that could come with having around 30 children under four together is kept in order under the calming influence of our manager Debra, her deputy Claire and a fantastic team of pre-school assistants. The influx of children has seen us taking on some other helping hands in the form of Zoe who has undertaken a voluntary placement with us as part of her college course and an apprentice starting with us this September.

I am always a little in awe of the dedication shown by our staff who work hard to help each child reach their full potential, with a lot of care and fun thrown in. Debra will talk about the activities enjoyed by the children over the last year and I am now going to turn to talk about how the committee has been involved in the running of the pre-school.

We have been fortunate that having such a good intake of children has meant less financial pressure and a little more income to spend. However, we have still looked to continue with our regular fundraising events such as the Christmas party raffle, sports day and a refreshment stall at Creech Party in the Park. We have this year decided to invest in some items that will make the running of the pre-school that bit smoother, with the purchase of some good storage furniture to make it easier to access toys and equipment and items to make the environment a little more pleasurable, such as sun shade for our outdoor play area – a blessing after the scorching summer we had this year.

We have also taken satisfaction in organising and running special events for our children; the Nativity and Christmas Party and at the end of the academic year the very special graduation ceremony, where our leavers were presented with a keep-sake of their time at the pre-school.

We have also driven forward other projects within the pre-school; following a redesign of our logo a couple of years ago, we decided to introduce the option of a uniform for the children to help build our sense of identity – and also save the children's everyday clothes from the wear and tear of pre-school life! In addition, we have purchased a banner that we can use at events to help build our profile. We have other plans afoot and really want to focus on further fundraising this year to help refurbish our outside area; you will have noticed we have had the 'garden' area at our entrance cleared and we desperately want to make this a nicer space for parents who wait patiently outside for pre-school to start and end. Progress is also being made to have the flooring in our outdoor play area resurfaced, as it is now coming to the end of its life.

So, in summary, we have been very industrious over the last year, but with healthy dose of fun on the side. We hope we have continued to develop the pre-school in being an attractive prospect for families looking for a pre-school placement, whilst making the working lives of the staff as stress-free as possible. As a committee we recognise that none of the achievements of the pre-school would be possible without the professionalism and dedication of the staff; Debra, Claire, Donna, Jo, Mandy, Laura, Donna-Marie, Lauren and lastly Doreen who has provided us with additional help as needed throughout the year.

I want to end by acknowledging the hard work put in by our Committee members; Zoe, Hannah, Jane, Lucy, Lisa, Juliette, Tori, Carly, Pauline and Cerina who left us earlier in the year. I also want to formally thank the wider community, our families and friends and hope that we can ask for your continued support to build on our success.

**Creech St Michael Community Pre-School
Annual Report of the Trustees (continued)
for the Year Ended 31 August 2018**

Statement of trustee's responsibilities

The trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 charity and of the income and expenditure of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the constitution. 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.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Trustees on

2019 and signed on their behalf by:-

.....
Mrs L Hammacott - Chair

.....
Date

Creech St Michael Community Pre-School

Independent Examiner's Report to the Trustees of Creech St Michael Community Pre School

I report on the accounts of Creech St Michael Community Pre School for the year ended 31 August 2018 which are set out on pages 6 to 14.

Responsibilities and basis of report.

As the charity trustees of the charity 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 charity'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 can 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.

Robert Zelazik BA (Hons)
A C Mole & Sons
Chartered Accountants
Stafford House
Blackbrook Park Avenue
Taunton TA1 2PX

Date

**Creech St Michael Community Pre-School
Statement of Financial Activities
for the year ended 31 August 2018**

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Income				
Donations & legacies	3,412	-	3,412	50
Charitable activities				
- Pre-school income	88,044	-	88,044	71,356
Other trading activities	1,061	-	1,061	1,788
Investment income	17	-	17	8
	<hr/>		<hr/>	<hr/>
	92,534	-	92,534	73,202
	<hr/>		<hr/>	<hr/>
Expenditure				
Charitable Activities				
- Pre-school running costs	84,077	-	84,077	80,580
Other	244	-	244	1,381
	<hr/>		<hr/>	<hr/>
	84,321	-	84,321	81,961
	<hr/>		<hr/>	<hr/>
Net Income/(Expenditure)/Net movement in funds	8,213	-	8,213	(8,759)
Reconciliation of funds:				
Total Funds Brought Forward	63,136	100,756	163,892	172,651
	<hr/>		<hr/>	<hr/>
Total Funds Carried Forward	71,349	100,756	172,105	163,892
	<hr/>		<hr/>	<hr/>

The notes on pages 8 to 14 form part of these financial statements

**Creech St Michael Community Pre-School
Balance Sheet
at 31 August 2018**

	Note	2018 Total	2017 Total
		£	£
Fixed Assets			
Land and Buildings		100,756	100,756
Plant and Machinery		9,047	10,555
		<hr/>	<hr/>
	4	109,803	111,311
		<hr/>	<hr/>
Current Assets			
Debtors	7	255	272
Cash and cash equivalents		65,589	55,431
		<hr/>	<hr/>
		65,844	55,703
		<hr/>	<hr/>
Current Liabilities			
Creditors	8	3,542	3,122
		<hr/>	<hr/>
Net Current Assets		62,302	52,581
		<hr/>	<hr/>
Net Assets		172,105	163,892
		<hr/> <hr/>	<hr/> <hr/>
The Funds of the Charity:			
Restricted Funds		100,756	100,756
Unrestricted Funds		71,349	63,136
		<hr/>	<hr/>
Total Charity Funds	5	172,105	163,892
		<hr/> <hr/>	<hr/> <hr/>

These accounts have been approved by the committee and are signed on their behalf by:

..... TrusteeDate

..... TrusteeDate

The notes on pages 8 to 14 form part of these financial statements

Creech St Michael Community Pre-School
Notes to the Financial Statements
for the year ended 31 August 2018

1 Accounting Policies

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention with items recognised at cost or transaction value. The financial statements have been prepared in accordance with the 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 (FRS102) (effective 1 January 2015) - (Charities SORP (FRS102)), Update Bulletin 1 issued February 2016, Update Bulletin 2 issued October 2018, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and the Charities Act 2011.

The Charity constitutes a public benefit entity as defined by FRS 102.

The trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

b) Income Recognition

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 income receivable can be measured reliably.

c) Expenditure Recognition

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the Charity to the expenditure, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

d) Expenditure on Charitable Activities

Charitable activities comprise all costs directly incurred in undertaking activities to fulfil the Charity's objects. The cost of charitable activities consists of Pre-School running costs, support costs and governance costs. This includes all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include costs related to independent examination.

e) Taxation

As a registered charity, the organisation is exempt from income and corporation tax to the extent that its income and gains are applicable to charitable purposes only.

f) Irrecoverable VAT

Irrecoverable VAT is charged against the expenditure heading to which it was incurred.

g) Fund Accounting

Funds are classified according to the manner in which they are allowed to be spent. The unrestricted general fund represents the accumulation of the Charity's income and expenditure that has not been earmarked for specific projects and is not considered by the Trustees to be for a restricted purpose. To the extent that the fund is represented by readily realisable assets it provides a means of financing the day-to-day operations.

Creech St Michael Community Pre-School
Notes to the Financial Statements
for the year ended 31 August 2018

g) Fund Accounting (continued)

Restricted funds have been provided to the charity for particular purposes, and it is the policy of the board of trustees to carefully monitor the application of those funds in accordance with the restrictions placed upon them.

h) Tangible Fixed Assets

Tangible fixed assets include the pre-school hall and fixtures and fittings.

Individual fixed assets costing £1,000 or more are capitalised at cost.

Land and building are considered to have a high residual value that is equal to the book value of the asset because the residual value of the properties is maintained by the ongoing maintenance of the property. Accordingly no depreciation is charged.

Works which do not result in enhancement of economic benefits of a property are charged to the Income and Expenditure Account.

Plant and machinery are stated at historical cost less depreciation so as to write off the cost of an asset over the useful economic life of that asset as follows:-

Plant and Machinery - by equal instalments over 10 years

The useful economic lives and residual values of all tangible fixed assets are reviewed annually.

i) Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits and other short-term highly liquid investments that are readily convertible to known amounts of cash with insignificant risk of change in value.

j) Financial Instruments

The charity only has financial assets and liabilities that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

k) Critical Accounting Judgements and Estimation Uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and adjusted for current market conditions or other factors. The Trustees make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom be exactly the same as related actual results. The estimates, assumptions and management judgements that carry a significant risk of material adjustments to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Residual values of land and buildings

Land and buildings are not depreciated on the basis that their residual value is at least equal to their carrying value on the basis of the continual maintenance of these properties. The significant assumptions applied in determining the residual values of our buildings are mainly due to (i) whether it will continue to be necessary to maintain the properties to a certain standard (ii) the market value of the properties.

Creech St Michael Community Pre-School
Notes to the Financial Statements
for the year ended 31 August 2018

2 Trustees Remuneration and Expenses

No remuneration, other benefits or expenses have been paid to any of the trustees during the year (2017 - £nil).

3 Independent Examiner's Fee	2018	2017
Independent Examiner's Fee	1,080	1,080
	=====	=====

4 Tangible Fixed Assets

	Land & Buildings £	Plant & Machinery £	Total £
<u>Cost</u>			
At 1 September 2017	100,756	15,079	115,835
Additions	-	-	-
	=====	=====	=====
At 31 August 2018	100,756	15,079	115,835
	=====	=====	=====
<u>Depreciation</u>			
At 1 September 2017	-	4,524	4,524
Charge for year	-	1,508	1,508
	=====	=====	=====
At 31 August 2018	-	6,032	6,032
	=====	=====	=====
<u>Net Book Value</u>			
At 31 August 2018	100,756	9,047	109,803
	=====	=====	=====
At 31 August 2017	100,756	10,555	111,311
	=====	=====	=====

Creech St Michael Community Pre-School
Notes to the Financial Statements
for the year ended 31 August 2018

5 Statement of Funds

	1 September 2017 £	Income £	Expenditure £	31 August 2018 £
<u>Unrestricted Funds</u>	63,136	92,534	84,321	71,349
<u>Restricted Funds</u>				
New hall fund	100,756	-	-	100,756
	<hr/>	<hr/>	<hr/>	<hr/>
	163,892	92,534	84,321	172,105
	<hr/>	<hr/>	<hr/>	<hr/>

Represented by:	Unrestricted Funds £	Restricted Funds £
Fixed Assets	9,047	100,756
Net Current Assets	62,302	-
	<hr/>	<hr/>
	71,349	100,756
	<hr/>	<hr/>

The unrestricted funds represent free funds of the Charity, which are not designated for a particular purpose.

The pre-school purchased a new hall at a cost of £100,756 in the year ended 31 August 2007 out of funds specifically raised for this purpose.

Prior Year Statement of Funds

	1 September 2016 £	Income £	Expenditure £	31 August 2017 £
<u>Unrestricted Funds</u>	71,636	73,202	81,702	63,136
<u>Restricted Funds</u>				
Therapy room	259	-	259	-
New hall fund	100,756	-	-	100,756
	<hr/>	<hr/>	<hr/>	<hr/>
	172,651	73,202	81,961	163,892
	<hr/>	<hr/>	<hr/>	<hr/>

Represented by:	Unrestricted Funds £	Restricted Funds £
Fixed Assets	10,555	100,756
Net Current Assets	52,581	-
	<hr/>	<hr/>
	63,136	100,756
	<hr/>	<hr/>

Creech St Michael Community Pre-School
Notes to the Financial Statements
for the year ended 31 August 2018

6 Staff Costs

The average number of staff employed during the period was as follows:

2018	2017
<u>8</u>	<u>8</u>

The aggregate payroll costs of these persons were as follows:

	2018	2017
	£	£
Wages and salaries	64,388	63,359
Pensions	60	31
	<hr/>	<hr/>
	64,448	63,390
	<hr/>	<hr/>

There were no employees with emoluments above £60,000 in the year

The Charity considers its key management personnel to comprise of the nursery manager. Total remuneration of key management was: £19,459 (2017: £18,864).

7 Debtors

	2018	2017
	£	£
Trade debtors	77	90
Prepayments	178	182
Other	-	-
	<hr/>	<hr/>
	255	272
	<hr/>	<hr/>

8 Creditors

	2018	2017
	£	£
Trade creditors	1,349	999
Accruals	1,603	1,566
Other tax and social security	290	273
Other	300	284
	<hr/>	<hr/>
	3,542	3,122
	<hr/>	<hr/>

9 Related Party Transactions

There were no related party transactions in the year (2017: none).

Creech St Michael Community Pre-School
Notes to the Financial Statements
for the year ended 31 August 2018

10 Statement of Financial Activities for the year ended 31 August 2017

	Unrestricted Funds £	Restricted Funds £	2017 Total £
Income			
Donations & legacies	50	-	50
Charitable activities			
- Pre-school income	71,356	-	71,356
Other trading activities	1,788	-	1,788
Investment income	8	-	8
	<hr/>		
	73,202	-	73,202
	<hr/>		
Expenditure			
Charitable Activities			
- Pre-school running costs	80,321	259	80,580
Other	1,381	-	1,381
	<hr/>		
	81,702	259	81,961
	<hr/>		
Net (Expenditure)/Income/ Net movement in funds	(8,500)	(259)	(8,759)
Reconciliation of funds:			
Total Funds Brought Forward	71,636	101,015	172,651
	<hr/>		
Total Funds Carried Forward	<hr/>	<hr/>	<hr/>
	63,136	100,756	163,892

**Creech St Michael Community Pre-School
Trading Income and Expenditure Account
for the year ended 31 August 2018**

	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Income				
Donations	3,412	-	3,412	50
Charitable Activities				
Fees	22,785	-	22,785	15,720
Early Years grant	65,259	-	65,259	55,636
Miscellaneous	150	-	150	123
Interest	17	-	17	8
Other Trading Activities				
Fundraising events and appeals	911	-	911	1,665
	<hr/>	<hr/>	<hr/>	<hr/>
Total Income	92,534	-	92,534	73,202
Expenditure				
Charitable Activities:				
Wages	64,448	-	64,448	63,390
Playgroup supplies	2,515	-	2,515	2,301
Upkeep	1,375	-	1,375	856
Establishment	5,555	-	5,555	5,413
Telephone	715	-	715	715
Refreshments	469	-	469	351
Subscriptions	155	-	155	148
Training	322	-	322	422
Postage, printing and stationery	324	-	324	278
Finance services costs	4,866	-	4,866	4,765
Uniforms	965	-	965	13
Advertising	-	-	-	420
Depreciation	1,508	-	1,508	1,508
Other				
Miscellaneous	1,104	-	1,104	1,381
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditure	84,321	-	84,321	81,961
Net (Expenditure)/Income	8,213	-	8,213	(8,759)
Reconciliation of funds:				
Total Funds Brought Forward	63,136	100,756	163,892	172,651
	<hr/>	<hr/>	<hr/>	<hr/>
Total Funds Carried Forward	71,349	100,756	172,105	163,892
	<hr/>	<hr/>	<hr/>	<hr/>