

**Sutton St James Pre-school
(A company limited by guarantee)**

Report and Financial Statements

Year ended 31st July 2007

Charity number: 1112019

Company number: 5460621



Sutton St James Pre-school
(A company limited by guarantee)

Financial Statements
For the Year Ended 31 July 2007

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SUTTON ST JAMES PRE-SCHOOL LIMITED

Report of the trustees for the year ended 31st July 2007

The trustees are pleased to present their annual report of the charity for the year ending 31st July 2007.

Reference and administrative details

Charity number: 1112019

Company number 5460621

Principal Office Church Hall, Church Lane, Sutton, Macclesfield, Cheshire,
SK11 0DS

Registered Office 40 Gonville Avenue, Sutton, Macclesfield, Cheshire,
SK11 0EG

Bankers Royal Bank of Scotland, Chestergate Branch, 56 Chestergate
Macclesfield, Cheshire, SK11 6BA

Directors and trustees

The Directors and trustees serving during the period and since the year end were as follows:

Directors and trustees

Mrs R Reid	Chair	resigned August 2007
Mrs V Jackson	Chair	appointed September 2007
Mrs H Roberts	Secretary	
Mrs S King	Registrar	resigned July 2007
Mrs K Savage	Registrar	appointed July 2007
Mrs J Hannah	Treasurer	

Committee members

Mrs Kemp

Manager/Supervisor

Mrs A Baird

Structure, Governance and Management

Governing Document

Sutton St James Pre-school is a charitable company limited by guarantee, incorporated on 23rd May 2005. The company was established under a Memorandum of association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Appointment of trustees

As set out in the Articles of Association the committee members are elected at the Annual General Meeting. Retiring Committee Officers and Committee members are eligible for re-election unless they have already served on the committee in any capacity for six consecutive years. Committee Officers and Committee members so elected shall serve until the end of the following Annual General Meeting at which they were elected. The Committee has the power to co-opt up to three further members who will serve until the next Annual General Meeting. No co-opted Committee member shall serve on the Committee for more than four consecutive years.

All voting members shall be eligible to stand for election to the Committee, except for paid employees of the Pre-school, who cannot be Committee members or vote at Committee meetings.

Structure of the Organisation

The pre-school is run by elected committee which ensures that the business of the pre-school runs smoothly and efficiently. The Manager, with the help of employed staff, is responsible for the day to day running, whilst the chairperson is responsible for the entire organisation. It is inspected by OFSTED to ensure that it complies with the relevant regulations. The Manager and half of the staff must have relevant qualifications in day-care education or have completed or be working towards an approved course. The ratio of staff is 1 adult to 4 children (under 3 years) and 1 adult to 8 children (3 years and over). Each member of staff shall be aware of and have prepared for their daily activity to start at 9.00a.m. To help with the smooth running of Pre-school sessions, monthly staff meetings are held. Parents are warmly encouraged to help at Pre-school during the sessions that their child/children attend and there is a rota system to enable all parents to do this.

Related parties

The pre-school is a member of the Pre-school Learning Alliance an educational charity which provides benefits including information, advice, publications, insurance and courses. A representative of the pre-school must attend local meetings and the national AGM.

Risk Management

The pre-school maintains a policy file which covers all aspects in running the pre-school; these policies include risk assessment of equipment, child protection, accidents, fire safety in total there are 20 policies followed by the pre-school. The staff regularly attend courses which not only deal with child care but also the changes being implemented on the running of pre-schools, this enables the committee to identify changes which effect the pre-school and make the appropriate plans. Regular OFSTED visits ensure that the pre-school is following all relevant regulations and the pre-school is also a member of the Pre-school Learning Alliance who provides valuable information and advice on all aspects of running a pre-school.

Objectives and Activities

The objects of the charity are to enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the need of their children through community groups and by:

- Offering appropriate play, education and care facilities and training courses, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race, culture, religion, means or ability,
- Encouraging the study of the need of such children and their families and promoting public interest in and recognition of such needs;
- Instigating and adhering to and furthering the aims and objects of the Pre-school Learning Alliance

Achievements and Performance

Pre-School's aim, as ever, is to provide a stimulating and enjoyable environment where Children may take their first steps in a formal educational setting. This year has been one full of varied activities, learning and development with focus firmly fixed around the Children's needs

The new School year started very well with near to 100% capacity levels of children on our roll : Group 1 (3>4 years) comprised 13 children and Group 2 (2>3 years) comprised 20 children Our maximum daily capacity is 25 from which it will be seen that some children are unable to attend every session

All the activities planned for the Children were successful – and the wonderful autumn weather simply made them even more enjoyable when based outdoors.

We had decided as part of our planning processes that each day those of our Group 1 children - who would soon be moving onto Primary School - should start to experience what that new setting would be like. These “taster sessions” of approximately 20 minutes consist of a mixture of board games and early writing exercises allied to appropriate “props” to add interest.

In early October, due to family commitments, Mrs Gudgeon left us – which was a loss of a valued member of staff. However Claire Ostlere and then Tracey Bennett stepped into the breach. We owe thanks to both of them for their flexibility at that time in ensuring we were able to continue serving the children.

Our staff continue a rolling programme of external courses run by appropriate training bodies which is of great value in keeping us all in touch with best practice. We are grateful to them for this “out of hours” dedication.

We have organised a number of events – both external / off site and in house.

Children in Need

The Children decorated and “sold” fairy cakes to raise money for this worthy cause Parents entered into the spirit of the event and their donations were gratefully received and passed over to the Charity in due course.

Brookside

We took 28 Children to see Father Christmas and were joined by a number of parents which was appreciated A very good time was had by all and Father Christmas and his Elf joined in wholeheartedly telling seasonal stories and encouraging the Children to join in the singing of Christmas songs

Nativity / Christmas Concert

This year we decided to try something a little different. The Revd Taffy Davies kindly agreed that the Concert could be held in St James'. At the beginning of December the children decorated individual invitations to their families. On the day itself the Nativity scene was put together by the children whilst the traditional story was narrated. This was followed by the Children singing a selection of their favourite Christmas songs. After the event refreshments for all were served in the Church hall.

Christmas Party

We held a party for all our Children Games, party food and song singing and the making of Christmas gifts all combined to make it a very happy event. Members of our Committee and Parents very kindly came into Pre-School to prepare the food and decorate the tables. After lunch, Father Christmas arrived to give each child a present and was thanked by the children and entertained with a selection of songs

Easter Bonnet Parade

This was held on the last day of Term when unfortunately the weather made it impossible for our traditional outdoor parade to take place. However an indoor parade was possible and the Children were able to proudly display their creations

Stockley Farm

In June we had our annual summer outing This was very well supported by parents despite the rain We were able to feed a lot of the farm animals, see their offspring and listen to some stories about them The soft play area was also greatly enjoyed by the children.

Summer Concert

The last days of term (and the school year) soon came around and the Children who were leaving sent individual invitations to their families asking them to come to their concert They sang a selection of the favourite songs and acted out one number about "5 Little Caterpillars" which was very amusing, well performed and much enjoyed by everybody there. We invited the Reception Class from Hollinhey C P School to join us for this event We also took the opportunity to say "goodbye" to Mrs Samantha Gooding who had been with us for 5 years and the Children presented her with a present and cards.

Financial Review

The accounts are set out on pages 8 to 13. The Nursery Education grant has been available for the full academic year which is reflected in the increase from 2006 of £3642 however this has been somewhat set off by the fall in income received from parents. It is never easy to predict the level of income as the age and number of children vary from year to year. The fees were kept at £4.80 a session however these will be increased in the next financial year to £5.50 a session which is still a very reasonable rate

Once again the pre-school has been supported by the Well Dressing association with a very welcome donation of £200. The pre-school is always very grateful to the Well Dressing Association not only for their support but also for involving the children in preparing the boards

Fundraising activities have brought in £1077 this year with the main event being a pampering evening. This was a fantastic evening raising over £600 for new equipment, a huge thank you goes to Vicky Jackson and her team for all their hard work in making the evening such a success.

We had a new photographer in pre-school this year who produced some wonderful professional looking photographs and commission earned added an extra £177 to funds, another visit is expected in the Autumn Term.

As the 2006 results were so good expenditure in 2007 has been able to be increased. The children have benefited from some new equipment particularly from some large pieces such as a new climbing frame. We have also managed to increase the staff wage rates and the rent paid, the children are also enjoying a more varied snack time with more money being available for snacks and for them to help cook on a regular basis which they really enjoy.

The trustees are very pleased with the results for the year and hope for another successful year in 2007/08

Investment powers and policy

The trustees of the pre-school operate a policy of keeping available funds in an interest bearing deposit account.

Reserves policy

In accordance with the Memorandum and Articles of Association the income and property of the pre-school shall be applied solely towards the promotion of the Objects. The pre-school has one unrestricted general fund, this reserve is kept in order to maintain a positive bank balance which fluctuates during the year due to the timing of grant money received. Reserves are also held to cover any unforeseen expenses.

Plans for future periods

The pre-school will continue to provide a safe and friendly environment for pre-school children and to meet its objectives as well as involving the children in the local community, maintaining links with the local primary school and also with Sutton St James Church.

The increases in expenditure made in 2007 will be monitored carefully in 2007/08 as they will be incurred for the full year as opposed to just part of the year. Fundraising will continue to be the main source of finance for the provision of equipment for the children with the main aim for the next year to be to raise enough money to buy new computer hardware for the children

Trustees/Directors responsibilities

Company law requires the trustees to prepare financial statements which give a true and fair view of the state of affairs of the company at the period end and of its surplus or deficit for the financial period. In preparing those financial statements the trustees/directors are required to:-

- Select suitable accounting policies and apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- 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 keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 1985.

The trustees/directors are also responsible for safeguarding the assets of the charity and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

In accordance with sections 249A (2) and 249(1C) of the Companies Act 1985 the charity is exempt from audit

The report was approved by the Trustees/Directors on 12th November 2006

By order of the trustees

V Jackson (Chairperson)



Sutton St James Pre-school
Statement of Financial activities (including Income & expenditure Account)
for the year ended 31st July 2007

	Notes	Unrestricted Funds 2007 £	Unrestricted Funds 2006 £
Incoming resources			
Incoming resources from generated funds:			
Voluntary income donations	3	200	250
Activities for generating funds fundraising	4	1077	1611
investment income		217	52
Incoming resources from charitable activities:			
CCC Grant		22148	18506
Fees from parents		6555	8246
Milk reimbursement		350	300
Trips		677	604
Total incoming resources		31224	29569
Resources expended			
Costs of generating funds			
Costs of generating voluntary income			
Fundraising trading costs of goods sold and other costs	5	50	727
Charitable activities	5	30949	24730
Governance costs	5	11	30
Total resources expended		31010	25487
Net incoming resources		214	4082
Reconciliation of funds			
Funds brought forward		8369	
Funds transferred from unincorporated association			4287
Total funds carried forward		8583	8369

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

Sutton St James Pre-school

Balance Sheet as at 31st July 2007

	Notes	2007 £	2007 £	2006 £	2006 £
Current Assets					
Debtors	9	318		397	
Bank		8678		8791	
Petty Cash		<u>201</u>	9197	<u>34</u>	9222
 Creditors amounts falling due within one year	 10		 -614		 -853
Net Assets			<u><u>8583</u></u>		<u><u>8369</u></u>
 Unrestricted funds					
General funds	11		8583		8369
 Total Funds			<u><u>8583</u></u>		<u><u>8369</u></u>

For the year ended 31 July 2007 the company was entitled to exemption under section 249A(1) of the Companies Act 1985

Members have not required the company to obtain an audit in accordance with section 249B(2) of the Companies Act 1985

The directors/trustees acknowledge their responsibility for

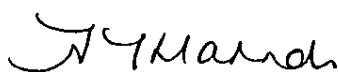
- (i) ensuring that the company keeps proper accounting records which comply with section 221 of the Companies Act 1985, and
- (ii) preparing financial statements which give true and fair view of the state of affairs of the charity as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to the financial statements, so far as applicable to the charity

These accounts are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities

The notes on pages 10 to 13 form part of these financial statements

Approved by the management committee on 12th November 2006 and signed on its behalf by

J T Hannah, Treasurer/Director



Notes forming part of the Financial Statements for the year ended 31st July 2007

1 Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year.

(i) Basis of accounting

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 1985, the Statement of Recommended Practice: Accounting and Reporting by Charities issued in March 2005 and applicable accounting standards.

(ii) Fund accounting

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

(iii) Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of donations and grants and is included in full in the Statement of Financial Activities when receivable.

The value of services provided by volunteers has not been included in these accounts.

Income from charitable activities includes fees from parents and the Nursery Education Grant. Grant income is received under contract and is recognised where there is entitlement.

Investment income represents bank interest and is recognised when receivable.

Incoming resources from charitable trading included fundraising and is accounted for when earned.

(iv) Resources Expended

Expenditure is recognised on an accrual basis when a liability is incurred.

Charitable activities include those costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Governance costs include those costs associated with meeting the statutory and constitutional requirements of the charity.

All costs are allocated between the expenditure categories of the SoFA on a basis which reflects the use of the resource. Costs relating to a particular activity are allocated directly, others (when incurred) are allocated on an appropriate basis e.g. staff time.

(v) Fund Structure

The charity has only one unrestricted general fund, this fund is used at the discretion of the trustees

2 Legal Status of the Pre-school

The Pre-school is a company limited by guarantee and has no share capital The liability of each member in the event of winding up is limited to £1

3 Donations

	Unrestricted 2007 £	Unrestricted 2006 £
Well Dressing Association	200	250

4 Activities for generating funds: fundraising

Pamper Evening	672	
Photographs	178	717
Car Boot	118	
Raffle	103	110
Yellow Moon	6	
Summer Fair		302
Sponsored Events		250
Sale of photo frames		110
Suttons Seeds		103
Nametags		10
Sale of wrapping paper		5
Book club		4
	1077	1611

5 Resources Expended

	Fundraising costs £	Governance £	Charitable activities £	2006 total £
Wages			23510	20947
Rent			2346	1767
Insurance			379	359
Equipment/materials			2118	376
Photographs				608
Pamper Evening	50			
Telephone			156	148
Sundry/snacks		11	1524	559
Bank charges				10
Milk			224	152
Trips			692	561
	50	11	30949	25487

6 Staff costs and numbers

	2007	2006
	£	£
Salaries and wages	23182	20410
Social Security	328	537
	<u>23510</u>	<u>20947</u>

The average number of employees during the year

	2007	2006
	number	number
Manager/Supervisor	1	1
Deputy	1	1
Pre-school assistants	6	6
	<u>8</u>	<u>8</u>

the charity does not operate a pension scheme for its employees but does administer a stakeholder pension, no employees made contributions to this scheme

7 Trustee Remuneration and Related Party Transactions

No member of the pre-school committee received any remuneration during the year

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year

8 Taxation

The company is a registered charity and no provision is considered necessary for taxation

9 Debtors

	2007	2006
	£	£
0		
Trade Debtors fees from parents	192	337
Other debtors and prepayments	126	60
	<u>318</u>	<u>397</u>

10 Creditors: amounts falling due within 1 year

Taxation & Social Security	74	0
Other creditors & accruals	540	853
	<u>614</u>	<u>853</u>

11 Analysis of Charitable Funds

Unrestricted Fund movements

General Fund

Balance as at 31 July 2006	8369
Incoming Resources	31224
Outgoing Resources	-31010
As at 31 July 2007	8583

12 Winding up or dissolution of the charity

If upon winding up or dissolution of the charity there remain assets, after the satisfaction of all debts and liabilities, the assets shall be transferred to the Pre-school Learning Alliance or other charitable body having similar objects to the charity or in a manner consistent with the charitable status of the charity and approved in writing by the Pre-school Learning Alliance and the Charity Commission

13 Share Capital

The charity is incorporated under the Companies Act 1985 and is limited by guarantee, each member having undertaken to contribute an amount not exceeding £1 as may be required in the event of the company being wound up whilst they are still a member