

**REGISTERED COMPANY NUMBER: 05885935 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1142554**

Report of the Trustees and  
Unaudited Financial Statements  
for the Year Ended 31 July 2021  
for  
First Step Pre-school Ltd

Stanley Joseph Limited  
Chartered Accountants  
Suite 1  
Liberty House  
South Liberty Lane  
Bristol  
BS3 2ST

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for the Year Ended 31 July 2021

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Report of the Trustees  
for the Year Ended 31 July 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 July 2021. The trustees have adopted the provisions of 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 2019).

## **OBJECTIVES AND ACTIVITIES**

### **Principle activity and objects of the charity**

The principal activity and object of the company and charity, in the period under review, was to advance the education of children below compulsory school age.

### **Public benefit**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

First Step Pre-school has been offering early childhood education and benefitting the community of Thornbury for the last thirty years. We welcome all children in the local community from every background.

We support children from 2 years to school age. Children learn and develop through play and realising that learning is fun. Foundations such as communication and language, behaviour, turn taking and being creative are some of the skills which will enable children to become independent and confident individuals within their local community.

Our work means we work closely with the local primary schools. This work is of benefit to our children and to the schools themselves as well as the wider community.

## **ACHIEVEMENT AND PERFORMANCE**

### **Achievements, performance and financial review of the charity**

The charity has continued to provide pre-school sessions for children from two to five years old as outlined above.

The Committee Members have continued to give their time to support the running of the pre-school. The Directors would like to thank everyone who gave their time and supported the fundraising activities and events carried out by the Charity in the year.

Income totalled £170,503 (2020: £173,265) and the total expenditure was £151,448 (2020: £164,555) resulting in a surplus of £19,055 (2020: £8,710 surplus) for the year. These funds have been applied to the objects of the charity. The financial position at the end of the year was such that the charity had sufficient liquid funds to cover its liabilities.

The directors are confident that the charity will continue to further achieve its objectives in future years.

Report of the Trustees  
for the Year Ended 31 July 2021

## **FINANCIAL REVIEW**

### **Reserves policy**

In line with guidance issued by the Charity Commission, the Trustees have reviewed the charity's need for reserves. The balance of reserves in the general account stands at £71,092 (2020: £43,616).

The funds held by First Step Pre-school fall into two categories:

### **Restricted Funds**

Money received through grants or specific fundraising are restricted funds and can only legally be used for the particular purpose or project that the donor provided them for. Restricted funds will need to be accounted for separately to ensure that they are not accidentally used for another purpose. Occasionally, there is a time lag between the receipt of these funds and the related expenditure, thereby resulting in Pre-school holding the funds until payment is made.

### **Unrestricted Funds**

Funds received from other sources of income (for example, payments for childcare places, or general fundraising), will generally be unrestricted funds and may be used as and when required, as costs become due. From the unrestricted funds we have set aside some money, called designated funds for specific purposes outlined in the section below. Any remaining funds are our reserves or working capital, which are freely available to spend on any of the charity's activities.

Income levels vary during the year, but expenditure levels remain relatively constant throughout. Income is at its lowest during the autumn term rising during the spring to its highest level in the summer term, this is due to the availability of grant funding. The Trustees consider it prudent that between 2 and 3 months administration and support costs should be kept in reserve. This level will ensure we have adequate resources to cover our outgoings whilst income is at its lowest level during the autumn term and to provide a suitable level of protection against delayed or late payments. The Trustees will monitor and review this reserve level with reference to income forecasts and changes in funding on an annual basis to ensure that it continues to meet the needs of the Pre-school and that it is balanced this with our responsibility to spend our income on promoting our charitable objectives.

Designated funds are amounts specifically excluded from being used to meet the day-to-day running costs of the Pre-school. Designated Funds currently held:

1. General fundraising: these funds are spent at the discretion of the trustees to provide additional resources or pay for special events outside the normal running costs of the preschool.
2. Freehold property repair and replacement: to cover repair and/or eventual replacement of the portable building at Christ the King School which does not have a "long" life. If required, this fund may also cover the cost of renegotiating the lease for the Christ the King site. This fund is built up by regular transfers from working capital.
3. Crossways building fund and sinking fund: The building fund is the remaining money from the new building at Crossways and will be used to cover larger scale costs at Crossways. The sinking fund is to cover costs not borne by South Gloucestershire Council in provision of the leased Crossways building, or to meet any costs associated with negotiating Crossways lease rent reviews. The establishment of this fund forms part of the lease agreement and is built up by regular transfers from working capital until a cap is reached as determined by the lease agreement.

Report of the Trustees  
for the Year Ended 31 July 2021

The Trustees will review this reserve level on an annual basis to ensure that it continues to meet the needs of the Pre-school this is done in the budget setting

The Charity's bank accounts are interest-bearing. Restricted and Designated Funds are placed in deposit accounts until required.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

05885935 (England and Wales)

**Registered Charity number**

1142554

**Registered office**

C/O Crossways Infants School  
Knapp Road  
Thornbury  
Bristol  
S GLOS  
BS35 2HQ

**Trustees**

G V Seamark Treasurer (resigned 25.11.20)  
J Spence Chair  
R Wheeler Vice Chair (resigned 26.5.21)  
S Bertram (resigned 31.8.20)  
E Goodeve-Docker (appointed 24.3.21)  
Ms S Curtis (appointed 25.9.20)  
A Cooper (appointed 25.11.20)  
Ms M Ball (appointed 25.11.20)  
A Cave (appointed 25.11.20)  
Ms K Campbell (appointed 25.11.20)  
Ms N Chilton (appointed 25.11.20)  
Mrs A Thompson (appointed 25.11.20)  
Ms S Turner (appointed 25.11.20)

Report of the Trustees  
for the Year Ended 31 July 2021

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Independent Examiner**

Stanley Joseph Limited  
Chartered Accountants  
Suite 1  
Liberty House  
South Liberty Lane  
Bristol  
BS3 2ST

**MANAGEMENT AND GOVERNANCE**

Trustees for the Charity, also Directors of the company, are elected each year at the Annual General Meeting and are known as 'the committee'. Candidates are proposed and seconded by the AGM attendees; election is by a show of hands or a written vote.

The committee meets about 6 times per year.

Approved by order of the board of trustees on 29 November 2021 and signed on its behalf by:

E Goodeve-Docker - Trustee

**Independent examiner's report to the trustees of First Step Pre-school Ltd ('the Company')**

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 July 2021.

**Responsibilities and basis of report**

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

**Independent examiner's statement**

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

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.

Philip Helps  
Institute of Chartered Accountants in England and Wales  
Stanley Joseph Limited  
Chartered Accountants  
Suite 1  
Liberty House  
South Liberty Lane  
Bristol  
BS3 2ST

Date: .....



Statement of Financial Activities  
for the Year Ended 31 July 2021

	Notes	Unrestricted funds £	Restricted fund £	31.7.21 Total funds £	31.7.20 Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>					
Charitable activities		167,505	-	167,505	172,453
Donations and legacies	2	2,955	-	2,955	658
Investment income	3	43	-	43	154
<b>Total</b>		170,503	-	170,503	173,265
<b>EXPENDITURE ON</b>					
<b>Charitable activities</b>					
Charitable activities		151,448	-	151,448	163,695
Other		-	-	-	860
<b>Total</b>		151,448	-	151,448	164,555
<b>NET INCOME</b>		19,055	-	19,055	8,710
<b>RECONCILIATION OF FUNDS</b>					
Total funds brought forward		101,225	-	101,225	92,515
<b>TOTAL FUNDS CARRIED FORWARD</b>		120,280	-	120,280	101,225

The notes form part of these financial statements

**Statement of Financial Position**  
**31 July 2021**

	Notes	Unrestricted funds £	Restricted fund £	31.7.21 Total funds £	31.7.20 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	7	-	-	-	15,000
<b>CURRENT ASSETS</b>					
Debtors	8	-	-	-	946
Cash at bank and in hand		124,086	-	124,086	89,794
		<u>124,086</u>	<u>-</u>	<u>124,086</u>	<u>90,740</u>
<b>CREDITORS</b>					
Amounts falling due within one year	9	(3,806)	-	(3,806)	(4,515)
<b>NET CURRENT ASSETS</b>		<u>120,280</u>	<u>-</u>	<u>120,280</u>	<u>86,225</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		120,280	-	120,280	101,225
<b>NET ASSETS FUNDS</b>	10	<u>120,280</u>	<u>-</u>	<u>120,280</u>	<u>101,225</u>
Unrestricted funds				120,280	101,225
<b>TOTAL FUNDS</b>				<u>120,280</u>	<u>101,225</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 July 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 July 2021 in accordance with Section 476 of the Companies Act 2006.

Statement of Financial Position - continued

31 July 2021

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 29 November 2021 and were signed on its behalf by:

E Goodeve-Docker - Trustee

## **1. ACCOUNTING POLICIES**

### **Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

### **Income**

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

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

### **Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Portable buildings - 10% on cost

### **Taxation**

The charity is exempt from corporation tax on its charitable activities.

### **Fund accounting**

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the Trustee's Report.

### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2021

**1. ACCOUNTING POLICIES - continued**

**Impairment of assets**

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss.

If an impairment loss subsequently reverses, the carry amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**2. DONATIONS AND LEGACIES**

	31.7.21	31.7.20
	£	£
Fundraising events	<u>2,955</u>	<u>658</u>

**3. INVESTMENT INCOME**

	31.7.21	31.7.20
	£	£
Deposit account interest	<u>43</u>	<u>154</u>

**4. NET INCOME/(EXPENDITURE)**

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

	31.7.21	31.7.20
	£	£
Depreciation - owned assets	<u>-</u>	<u>3,000</u>

## 5. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 July 2021 nor for the year ended 31 July 2020.

### Trustees' expenses

There were no trustees' expenses paid for the year ended 31 July 2021 nor for the year ended 31 July 2020.

## 6. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
<b>INCOME AND ENDOWMENTS FROM</b>			
Charitable activities	172,453	-	172,453
Donations and legacies	658	-	658
Investment income	154	-	154
<b>Total</b>	<u>173,265</u>	<u>-</u>	<u>173,265</u>
<b>EXPENDITURE ON</b>			
<b>Charitable activities</b>			
Charitable activities	163,695	-	163,695
Other	860	-	860
<b>Total</b>	<u>164,555</u>	<u>-</u>	<u>164,555</u>
<b>NET INCOME</b>	<u>8,710</u>	<u>-</u>	<u>8,710</u>
<b>RECONCILIATION OF FUNDS</b>			
Total funds brought forward	92,515	-	92,515
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>101,225</u>	<u>-</u>	<u>101,225</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2021

**7. TANGIBLE FIXED ASSETS**

	Freehold property £
<b>COST</b>	
At 1 August 2020	24,000
Disposals	(24,000)
At 31 July 2021	-
<b>DEPRECIATION</b>	
At 1 August 2020	9,000
Eliminated on disposal	(9,000)
At 31 July 2021	-
<b>NET BOOK VALUE</b>	
At 31 July 2021	-
At 31 July 2020	15,000

**8. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.7.21 £	31.7.20 £
Trade debtors	-	946

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2021

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	31.7.21 £	31.7.20 £
Accrued expenses	<u>3,806</u>	<u>4,515</u>

**10. MOVEMENT IN FUNDS**

	At 1.8.20 £	Net movement in funds £	Transfers between funds £	At 31.7.21 £
<b>Unrestricted funds</b>				
General fund	43,616	31,077	(3,601)	71,092
Designated funds	42,609	2,978	3,601	49,188
Property funds	<u>15,000</u>	<u>(15,000)</u>	<u>-</u>	<u>-</u>
	<u>101,225</u>	<u>19,055</u>	<u>-</u>	<u>120,280</u>
<b>TOTAL FUNDS</b>	<u>101,225</u>	<u>19,055</u>	<u>-</u>	<u>120,280</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	167,505	(136,428)	31,077
Designated funds	2,998	(20)	2,978
Property funds	<u>-</u>	<u>(15,000)</u>	<u>(15,000)</u>
	<u>170,503</u>	<u>(151,448)</u>	<u>19,055</u>
<b>TOTAL FUNDS</b>	<u>170,503</u>	<u>(151,448)</u>	<u>19,055</u>



Notes to the Financial Statements - continued  
for the Year Ended 31 July 2021

10. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.8.19 £	Net movement in funds £	Transfers between funds £	At 31.7.20 £
<b>Unrestricted funds</b>				
General fund	33,459	18,744	(8,587)	43,616
Designated funds	35,056	(1,034)	8,587	42,609
Property funds	24,000	(9,000)	-	15,000
	<u>92,515</u>	<u>8,710</u>	<u>-</u>	<u>101,225</u>
<b>TOTAL FUNDS</b>	<u>92,515</u>	<u>8,710</u>	<u>-</u>	<u>101,225</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	172,453	(153,709)	18,744
Designated funds	812	(1,846)	(1,034)
Property funds	-	(9,000)	(9,000)
	<u>173,265</u>	<u>(164,555)</u>	<u>8,710</u>
<b>TOTAL FUNDS</b>	<u>173,265</u>	<u>(164,555)</u>	<u>8,710</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 July 2021

**10. MOVEMENT IN FUNDS - continued**

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.8.19 £	Net movement in funds £	Transfers between funds £	At 31.7.21 £
<b>Unrestricted funds</b>				
General fund	33,459	49,821	(12,188)	71,092
Designated funds	35,056	1,944	12,188	49,188
Property funds	24,000	(24,000)	-	-
	<u>92,515</u>	<u>27,765</u>	<u>-</u>	<u>120,280</u>
<b>TOTAL FUNDS</b>	<u>92,515</u>	<u>27,765</u>	<u>-</u>	<u>120,280</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
<b>Unrestricted funds</b>			
General fund	339,958	(290,137)	49,821
Designated funds	3,810	(1,866)	1,944
Property funds	-	(24,000)	(24,000)
	<u>343,768</u>	<u>(316,003)</u>	<u>27,765</u>
<b>TOTAL FUNDS</b>	<u>343,768</u>	<u>(316,003)</u>	<u>27,765</u>

**11. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 July 2020 or for the year ended 31 July 2019.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.