

ST MATTHEWS PRE-SCHOOL GROUP
ANNUAL REVIEW AND TRUSTEES REPORT
2019/2020

Introduction

St Matthews Pre-School Group is a registered Charity (Number 1019336) and as such is obliged to hold an AGM. It is necessary to present a Trustees Report (an overview of the year) and Financial Report for the financial year. Both documents are subsequently submitted to the Charities Commission and displayed on their website for anyone to view.

St Matthews Pre-School Group has signed onto and follows the Constitution as set out by the Early Years Alliance, of which we are members. We are legally obliged to elect a committee whose responsibility it is to oversee the running of the pre-school group. The committee needs to comprise a Chairperson, Secretary, Treasurer, and other members (minimum of 2) to achieve a quorum for all decision making.

We are registered with Ofsted – registration number is 315246.

Parents of all children of 3 years and over are eligible to claim up to 15 hours free childcare (30 hours if eligible). St Matthews Pre-School Group receives its funding from Warrington Borough Council.

Overview of the Year 2019/20

When we commenced academic year 2019/20 we certainly didn't envisage what the year had in store for us.

At the start of the year we had 20 children on our register, Local Authority (WBC) funding had increased to £4.25 per hour from £4.17 per hour the previous year, and the majority of sessions had been filled / reserved. Financially, we were able to break-even at the end of the Autumn term without having to use any of our reserves.

During the Autumn term, we were invited to St Matthews Primary School to watch a production of 'Little Red Riding Hood', we made gingerbread men, designed bonfire pictures and celebrated Christmas with a party complete with party bus and Christmas concert / nativity tableau entitled 'The Night Before Christmas'. Fundraising events included our Autumn Toddle, Bag2School collection, a Ladies Shopping Event and Christmas raffle. We celebrated Chinese New Year at the end of January with a Chinese banquet at lunchtime. The Spring term theme was 'Animals and Birds' and the children had a visit from the Animal Roadshow - 'Animals Take Over' when they met a giant snail, lizard, snake, dragon and had the chance to hold an owl!! Each child made a bird feeder to take home, hopefully to attract some feathered friends into their gardens. Pre-school celebrated World Book Day when the children were encouraged to come to pre-school dressed as a character from a book, which they also brought to pre-school to show the other children. At the beginning of March, we had 5 new 'starters' at pre-school. Continuing to explore our theme of 'Animals & Birds' we looked after 5 caterpillars and the children watched as they grew and eventually became butterflies.

After session on Thursday 19th March and following the Government announcement about the increasing cases of Covid-19, we had to close our doors. The following week, the country went into lockdown. Pre-school children were able to see each other once a week during our Wednesday Wave Zoom call and were engaged in weekly tasks and challenges which were shared each week on our website gallery page. Our video diary captured the caterpillars as they turned into butterflies (which

the children named Betty-Belle, Barry-Bing, Banana-Buttons, Bertie-Bronto and Bonnie-Bumble) and were eventually released outside.

On 15th June we were able to re-open our doors but unfortunately only to a small 'bubble' of children for 15 hours per week due to all the restrictions. We were able to welcome back those children who were due to start school in September, to ensure they were well prepared for their transition to 'Big School'. One of the highlights was a Sports morning, which was as competitive as usual with each child winning a medal, although was sadly lacking in a cheering crowd of parents, carers, grandparents etc. The children who were leaving to go to school in September took part in the Leavers Concert, which was videoed and sent to parents.

Staff

We started the academic year with 7 staff on our payroll, which allowed for a term's handover / training period for our new assistant. Each session is now covered by four staff, which enables 1:1 teaching for each child with their key worker on a regular basis throughout the week. We were also fortunate and very grateful that a member of the community had been helping us on a voluntary basis at lunchtime when the time permits. From 20th March all the staff were furloughed. We were able to claim through the Government Job Retention Scheme and basic staff salaries continued to be paid in full whilst on furlough.

Salaries are based affordability. The committee agreed to an increase in salaries during the year to ensure that salaries keep pace with the National Living Wage rates. The current rates of pay are now £11.42 / hr for a manager / deputy manager, £11.42 / hr for a supervisor and £9.75 / hr for an assistant.

Committee

The committee members for 2019/20 were as follows:

Chair – Ceri Roberts

Secretary – Rachel Whitbread

Treasurer – Kirsty Parrington

Fundraiser – Cheryl Kelly

Fundraiser – Jane Allen

Appointed trustees were Ceri Roberts, Kirsty Parrington, Rachel Whitbread, Cheryl Kelly and Jane Allen. Tracy-Anne Clancy is the nominated person for Ofsted and contact for the Charities Commission. Signatories for the payroll were Ceri Roberts and Tracy-Anne Clancy.

Financially, we had a secure year with the closing balance on the current account being £5,298 and our reserve account remaining in line with the previous year at £16,019. The financial report will cover this area more fully.

Total fundraising income (excluding Gift Aid) was down year on year at £2,199 with net profit being £1,756. Fund matching by Lloyds Bank (in respect of the Shopping Event raffle) was £500 plus other donations amounting to £77 totalled £577. We are registered to receive Gift Aid and this still needs to be claimed for 2019/20.

Looking Forwards to 2020/21

Pre-school is now open for 21 hours per weeks which includes 3 full days sessions. We started the academic year with 18 children on register however, with children doing more sessions and additional children on our waiting list who will be eligible to start in January, all our sessions are almost fully

subscribed. We are currently following the guidance from DfE and not admitting children who attend another pre-school / nursery, to minimise any potential infection spread from setting to setting.

We are continuing to keep a watchful eye on the financial situation and have already received some very kind and generous parental donations. Some supporters are using 'Easyfundraising' each time they shop online and we are grateful for the commission from the retailers. Our Bag2School collection is booked for 12th November and we are planning another one for the Spring term. Hopefully, these will raise over £120. Funding from the Local Authority has, once again, been increased slightly to £4.35 per hour which should enable us to break-even at the end of our first term. We will be able to claim for the Job Retention Scheme bonus at the end of January which will amount to £3,000. This will help us enormously this year, as our traditional fundraising activities have been seriously impacted by Covid-19 restrictions. Our financial projections for the whole academic year, which includes all basic running costs plus budgeted expenditure on toys and equipment, is break-even only if we receive the £3,000 bonus. Without this, we would need to fundraise for this amount or limit spending on new learning resources for the children this year.

We will be saying 'farewell' to a number of staff during 2020/21 – both Tracy-Anne Clancy and Karen Ditchfield will be leaving at Christmas and Caroline Carr will leave at the end of the academic year. The recruitment process for the positions is well underway.

Thank You

Finally, thanks are due to the staff for all their hard work and commitment to the job and for their care of the children, which is excellent in every way. The staff not only nurture the children but help them to develop their confidence and independence and this is greatly appreciated by parents and carers alike.

Thanks to the Committee for their support during these unprecedented times.

Last, but not least, thank you to the parents, relatives and friends who have made donations throughout the year as well as giving up time to attend the fundraising events and contribute towards them.

This concludes the report.

ST MATTHEWS PRE SCHOOL GROUP
STATEMENT OF INCOME AND EXPENDITURE
YEAR ENDED 31 JULY 2020
REGISTERED CHARITY NO: 1019336

REGISTERED CHARITY NO. 1019358					
INCOME	Year Ended 31 July 2020 £	Year Ended 31 July 2019 £	EXPENDITURE	Year Ended 31 July 2020 £	Year Ended 31 July 2019 £
Balance brought forward 1 August			Salaries / Pensions	52,699	39,874
Current account	495	265	Nms / Tax	657	410
Reserve account	16,013	16,008	Payroll Service	484	435
			Subscriptions / Insurance	989	759
Fees	14,651	12,379	Rent	3,571	4,541
Government Grants	39,386	34,608	Telephone	501	558
Snack Fees	900	1,045	Staff Training	0	25
Uniform Sales & Registration Fees	607	1,010	Stationery/Postage	178	292
Fundraising (inc Gift Aid)	2,199	3,023	Uniform & Bag Supplies	474	629
Grants & Donations (inc. matched giving)	577	500	Snacks / Cleaning Supplies	601	684
Outings & Events	50	170	Daily Activities	561	340
Other	10,095	83	Children's Profiles	545	273
Bank Interest	5	5	Toys & Equipment	1,320	1,375
			Events & Outings	467	807
			Fundraising Expenses	443	678
			Other / Advertising	772	908
Total Income in the Year	69,071	52,823	Total Expenditure in the Year	64,262	52,588
			Balance carried forward 31 July	5,298	495
			Current Account	16,019	16,013
			Reserve Account		
Total	138,579	69,096	Total	138,579	69,096

Date _____ Signed _____

ST MATTHEWS PRE SCHOOL GROUP
STATEMENT OF ASSETS AND LIABILITIES
YEAR ENDED 31 JULY 2020
REGISTERED CHARITY NO: 1019336

Cash Funds	31 July 2020 £	31 July 2019 £
Cash at bank		
Current Account	5,298	495
Reserve Account	16,019	16,013
Total	21,317	16,508

Date _____ Signed _____

ST MATTHEWS PRE SCHOOL GROUP
BANK STATEMENT RECONCILIATION
YEAR ENDED 31 JULY 2020
REGISTERED CHARITY NO: 1019336

	£
Opening cash book balance at 1 August 2019	16,508
Total income	69,071
Total expenditure	(64,262)
Closing cash book balance at 31 July 2020	21,317

Balance per Bank Statements at 31 July 2020	<u>21,317</u>	(0)
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Capital Expenditure Analysis

Buy / Parent Notice Band / Divider	E
Ban	51
Bar	12
Layards	11
Christmas	21
Display Stands	11
Water Bottle Carriers	24
Christmas Items	45
Books & DVDs	40
Stitch Storage Boxes	12
Motorcycles	11
Wooling Board Set	15
Kitchen Set	13
Dolls Accessories	17
Kitchen Accessories	17
Alphabet	20
Novelty Arts	15
Woolen Cakes	10
Clothing Set	20
Soils & Potentials (Outdoor Classroom)	150
Roots Divider	145
Rugs, Cushions (Outdoor Classroom)	160
Chairs	150
Woolen Occupation Set	30
Rainbow Bunch	35
Buttons Binding Pack	23
Magpies & Magnifying Glasses	43
Figures for Small World / Imaginative Play	80
Thermometer	30
Clock	11
	1,120

Independent Examiner's Report to the Trustees of St Matthews Pre School Group

I report to the trustees on my examination of the accounts of St Matthews Pre-School for the year ended 31 July 2020.

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 pre-school'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 accounting records were not kept in respect of the Trust as required by section 130 of the Act.

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.

Signed: P Clancy

Name: Paul F Clancy (ACA, MBA)

Address: 19, Rosemoor Gardens, Appleton, Warrington WA4 5RF

Date: 13th October 2020

Financial Overview of St Matthews Pre School Group Accounts

1st August 2019 - 31st July 2020

Registered Charity No: 1019336

Overview

The accounts have been prepared on a receipts and payments basis and cover the period 1st August 2019 to 31st July 2020.

Income for the year totalled £69,071, a significant increase year on year (+£16,248). This was predominantly due to all sessions being full. Additionally, claims under the Government's Job Retention Scheme were paid, which compensated for the loss of WBC funded and invoiced income for the summer term.

Expenditure for the year was £64,262, an increase of £11,674 compared with the previous year, being mainly in respect of salary and pension costs. This is explained as a combination of having 7 staff on the payroll for the Autumn term coupled with 4 staff now covering each session, to facilitate more 1:1 teaching, plus cost of living increases.

The closing balance on the Current Account is £5,298, with the Reserve Account closing at £16,019.

Income

The key areas to note are as follows:

- **Fees & Grants** – Total income from parental fees and grants from Warrington Borough Council amounted to £54,037 compared with £46,987 the previous year. Additionally, we received £10,676 under the Government Job Retention Scheme which compensated for loss of earnings whilst we were closed. By way of note, the basic running costs of pre-school (staff costs, rent, telephone and insurance) totalled £58,901.
- **Snack Fees** – We were grateful to receive the continued financial assistance towards the cost of snacks this year, amounting to £900.
- **Fundraising** – Fundraising during 2019/20 amounted to £2,199 (net £1,756). The gift aid still needs to be claimed. An analysis of fundraising income and expenditure is included in Annex 1.
- **Donations** – We were delighted to receive matching for the Shopping Event from Lloyds Bank totalling £500.

Expenditure

The main areas of expenditure are discussed below, with a more detailed analysis of capital expenditure and expenditure on outings and events included in Annex 2.

- **Staff Costs** – As we are a child-care organisation, the main expense for pre-school is in respect of staffing. Total staff costs this year totalled £53,840 compared with £40,719 in 2018/19. We had 7 staff on the payroll for the first term which then reduced to 6 from January. Each session has 4 four staff to facilitate increased 1:1

learning time for the children with their key worker and to ensure compliance with the Ofsted ratio of staff to children. Additionally, we had a voluntary lunchtime assistant. Although this at face value appears to be a large outgoing, it should be considered in context with the hourly rates paid. We are a registered charity and as such we can only pay what we can afford. The hourly rates at the close of the year were: Manager £11.42 / hour, Supervisor £11.42 / hour and £9.75 per hour for Assistants. For reference, the National Minimum Wage announced by the Chancellor (effective from April 2020) is £8.72.

- **Snacks & Supplies** – Our outgoings this year totalled £601 in line with previous years. Each child is provided with a healthy snack and we were grateful for ongoing parental contributions towards this cost. The excess snack income was earmarked for celebrations at Easter and the Leavers Ceremony. Unfortunately, these were not able to take place.
- **Rent** – Our rent (payable to St Matthews PCC) totalled £3,571. This is not directly comparable with last year as the Hall Management Committee granted us a ‘rent holiday’ during lockdown. The hourly rate during the year was £5.62 increased from £5.47 per hour the previous year. The projected rate from September 2020 will be £5.74 per hour (a 2.14% increase).
- **Daily Activities** – This totalled £561, up on the previous year but does not represent a full years costs (due to lockdown). Typically, spend would be £650.
- **Toys & Equipment** – During 2019/20, £1,320 was spent on Toys and Equipment, the majority of which was expensed pre-lockdown. During the year, we have enhanced the outdoor classroom and refreshed the variety of indoor toys. A breakdown of the larger items of expenditure is included in Annex 2.
- **Outings and Events** – A total of £467 was spent on children’s outings and events and included the Christmas Party and party bus, a visit by the Wild Roadshow and a mini Sports morning. Each child received a book at Christmastime and the ‘leavers’ also received a book at the end of the summer term.
- **Telephone** – Pre-school pay for a BT landline into the building to ensure contact can be made with other parties (e.g. parents, Ofsted, emergencies etc) as required, ensuring no “loss of signal” or “low batteries” as experienced with mobile phones. This costs approximately £100 per quarter. We also now have a mobile phone for parent texts which costs us £9.50 per month. This is our emergency phone.
- **Other** – We continue to use Primary Site to ensure our website functionality is maintained. Also included are volunteer DBS checks and expenses, first aid equipment and one-off expenses.

Cash Flow

Cash flow is monitored and accounted for on a term by term basis. This year was quite challenging due to the lockdown. Although staff were furloughed we continued to pay full basic salaries. The shortfall in WBC funding and fees for the Summer term was however compensated for by the monies received under the Job Retention Scheme.

St Matthews pre-school group holds a business reserve account in order that we can:

- cover costs in the event of pre-school closing
- cover for periods of low income
- replace old equipment as necessary

Reserves are held as follows:

Description of Reserve Fund	Amount Held £
Redundancy Fund (plus below in the event of winding up)	7,500
Emergency running costs for one month	4,500
Replacement of Equipment	3,500
General Use	500
Bank Interest	19
Total	16,019

Annex 1

Fundraising	Income £	Expenditure £	Profit £
Autumn Toddle	234	-	234
Bag2School	83	-	83
Ladies Shopping Event	1,334	414	919
Christmas Nativity / Raffle / Refreshments	265	16	249
Reindeer Food	16	-	16
Christmas Cards	6	-	6
Calendars	111	13	98
Photos	30	-	30
EasyFundraising	120	-	120
Donations & Fund Matching	577	-	577
Gift Aid	-	-	-
Total	2,776	443	2,333

Major Expenditure	£	£
Sofa & Footstools (Outdoor Classroom)	155	
Room Divider	160	
Rugs, Cushions etc (Outdoor Classroom)	41	
Small World & Imaginative Play Items	363	
Wooden Occupation Set	30	
Rainbow Blocks	33	
Building Bridge Pack	25	
Magnets & Magnifying Glasses	43	
Books & DVDs	40	
Wooden Vehicles	15	
Ironing Board Set	17	
Kitchen Set	13	
Doll's Accessories	17	
Kitchen Accessories	17	
Airport	20	
Noah's Ark	15	
Wooden Cake	7	
Cleaning Set	20	
Notice Boards / Divider / Display Stands	72	
Bin	12	
Lanyards	11	
Laminator	19	
Water Bottle Carriers	24	
Christmas Items	45	
Storage Boxes	12	
Cloths	34	
Clock	11	
Thermometer	50	
Total Toys & Equipment		1,320
AGM	18	
Christmas Party	215	
Wild Roadshow	110	
Sports Day	15	
Leaver's Ceremony	109	
Total Outings / Events Expenditure		467
Total		1,787