



Registered Charity No: 1029338
Trustees' Annual Report
(Including Receipts and Payments Accounts)

Over Kellet Playgroup

For the financial year beginning on 1st September 2022 and ending on 31st August 2023

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Trustees:

Trustees on the date the Trustees' Annual Report was approved:

Zoe Midgley (Chair)
Danielle Hodgkinson (Secretary)
Elisabeth Gott (Treasurer)
Heather Ellershaw
Anne-Marie Steel

Bankers:

Barclays Bank PLC, 38 Market Street, Lancaster, LA1 1HR

Independent Examiner:

Shweta Pankhadiwala, Finance Officer, Lancaster District CVS
The Cornerstone, Sulyard Street, Lancaster, LA1 1PX



The trustees of Over Kellet Playgroup present their Annual Report, together with the accounts for the year ended August 2023, which includes the administrative information and list of the Charity's trustees set out above.

Structure, Governance and Management

- **Nature of Governing Document:** Constitution
- **How the Charity was constituted:** Unincorporated
- **Date of Governing Document:** The Constitution was adopted on 2nd November 1993 and amended on 3rd October 2001. It was re-approved at a General meeting held on 22nd September 2011. Registered on 8th December 1993.

Summary of Activities Undertaken for Public Benefit

Over Kellet Playgroup continues to provide high quality sessional childcare and education in the Village Hall during term-time for children from the age of two until they start school.

This year, we have welcomed current and prospective parents and carers into Playgroup at regular Stay & Play sessions. These special events have proved very popular with our families. We have also introduced some early reading and phonics sessions with the *Reading Fairy* which the children have thoroughly enjoyed.

Playgroup is keen to forge strong links with local schools. *Wilson's Endowed School* in Over Kellet has again offered their Monday preschool afternoons in the second half of the autumn term and the summer term. The children walk up to school from Playgroup for a fun afternoon of activities; this is fantastic preparation for the transition to school.

The individual needs and development of every child is valued at Playgroup. Sessions regularly run with an 'extra' member of staff (over and above the EYFS statutory staff to child ratio). This year, Playgroup has had higher than normal SEND requirements, so the trustees took the decision to increase staffing provision even further. High staff ratios have meant that we can offer one-to-one care when necessary.

On 27th June 2023 Playgroup had its long-awaited routine OFSTED inspection. The trustees are proud that Playgroup maintained its GOOD rating in all areas. Huge thanks and congratulations to our Manager, Lynsey, and the whole staff team as we endeavour to provide the best care, education and support to local children, families and the community.

Management of the Charity

In line with our constitution, the trustees (in conjunction with the Playgroup Manager, Deputy Manager and Business Manager) manage the charity. The trustees take an overseeing role and create formal policies for the charity. Day to day management is carried out by the Playgroup Manager, Deputy Manager and Business Manager.



Financial Activity

The final accounts report a deficit of (£7,328.22). This was anticipated as the trustees decided to hold £2,000 in the projected deficit reserve last year due to the unknown impact of the 9.7% annual increase in the National Living Wage in April 2023. This necessitated a large increase to all pay grades at a time of high staffing provision and low occupancy levels. The trustees are monitoring the financial situation but are not downcast. The announcements of changes to the childcare funding offers made by the Chancellor at the March budget will hopefully boost attendance next year. Playgroup is also eligible for Employment Allowance see *Notes to the Accounts* (6).

As ever, the trustees are very grateful to the *Withers Trust* for its continuing support. Playgroup received a grant of £500 towards Hall hire costs and a one-off grant of £329.90 which enabled the purchase of a play-tray stand, construction sets and a light box.

Playgroup has been fortunate to receive a FREE large and brilliant printer from Malcolm Bland of MB Digital Ltd. This has reduced printing costs and is much easier and quicker to use.

With regards to fundraising, the decision was taken not to hold a Christmas raffle due to the cost of living crisis. However, parents and carers could choose to buy Christmas photos of their children and leavers photos at the end of the year. In the summer term Playgroup held a "Sponsored Olympics" which was great fun for the children and a phenomenal success, raising £1,661.36!

At long last, the soft play surface in the Village Hall's garden has been resurfaced. The trustees, staff, parents and children are extremely grateful to Over Kellet Parish Council for their support with this urgent project which fortunately complied with the aims and priorities highlighted in Over Kellet's 2019 Parish Plan. We would like to thank the clerk to the Parish Council, Derek Whiteway, and its Chair, Graham Agnew for all their help. Along with a grant of £1,000 from the Groundwork UK *Tesco Community Grants* scheme last year, we have finally been able to make this wonderful outside space safe for little feet. A financial breakdown of this project is provided see *Notes to the Accounts* (3).

Risk Management and Reserves

A breakdown of acknowledged risks and Playgroup's reserve funds is as follows:

Risk 1: The expected number of Playgroup children in attendance in future years is always under review. A financial projection for the following academic year is prepared in the summer term and updated as necessary. This allows us to budget for predictable fluctuations in income and expenditure and manage our reserve funds as necessary.

Risk 2: The majority of Playgroup's funding is dependent upon the Government's *Early Education Funding* which is available to all children from the term following their third birthday and also some two year olds; (please see www.lancashire.gov.uk/education/childcare).



Risk 3: Playgroup operates in the Village Hall which is rented on a per hour basis.

Risk 4: Seven of our eight members of staff would be entitled to redundancy payments should Playgroup cease to operate, subject to the terms and conditions of their contracts.

Over Kellet Playgroup holds four reserve funds in order to manage the risks highlighted above. These funds, which are reviewed annually, are as follows:

- *Redundancy Fund*: This fund covers all redundancy obligations, as required by law, in the unlikely event that Playgroup had to close.
- *Emergency Contingency Fund*: This fund represents one term's running costs. It should cover all outstanding liabilities in the unlikely event that Playgroup had to close.
- *Projected Deficit Fund*: This fund covers a projected financial deficit for a specific future year when low income or low numbers of Playgroup children are anticipated.
- *Equipment Replacement Fund*: This fund represents roughly 10% of our equipment assets (furniture, toys, games, craft materials). It should ensure that the quality of our provision is maintained should income fall below expected levels.

In addition, restricted funds are held to support specific areas within our setting: AEN (Additional Educational Needs) and EYPP (Early Years Pupil Premium).

Please note that this year's deficit has led to a shortfall in the Emergency Contingency Fund because the Redundancy Fund has been prioritised. However, the total allocated to the Emergency Contingency Fund (£29,205) remains appropriate and it should still cover all outstanding liabilities in the unlikely event that Playgroup had to close.

Signed on behalf of the Trustees - Chair (Ms Zoe Midgley) :

Date :



Independent examiner's report to the trustees of

Over Kellet Playgroup

Charity No. 1029338

I report on the accounts for the year

1st September 2022 – 31st August 2023

Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Shweta Pankhadiwala

C/o Lancaster District CVS, The Cornerstone Sulyard Street Lancaster LA1 1PX

15th December 2023



Receipts and Payments Accounts

		<u>2023</u>	note	<u>2022</u>
OPENING BALANCES				
	Bank (Barclays Current)	£38,565.32		£28,619.60
	Bank (Barclays Business Premium)	£34,221.45		£34,216.32
	Cash (in hand)	£626.76		£141.43
		<u>£73,413.53</u>		<u>£62,977.35</u>
INCOME				
			(1)	
Fees and Early Education Funding (Unrestricted)				
	LCC Early Education Funding (3/4Y)	£81,188.72		£91,710.83
	LCC Early Education Funding (2Y)	£5,524.67		£7,030.00
	Fees	£13,703.27		£10,721.71
		<u>£100,416.66</u>		<u>£109,462.54</u>
Early Education Funding (Restricted)				
	AEN	£11,434.00		£4,218.00
	Early Years Pupil Premium	£272.18	(2)	£520.20
		<u>£11,706.18</u>		<u>£4,738.20</u>
Grants (Restricted)				
	Tesco Community Grant	-	(3)	£1,000.00
	Withers Trust (Rent)	£829.90		£1,000.00
	Nursery Milk Scheme (Kitchen)	£719.13		£710.13
		<u>£1,549.03</u>		<u>£2,710.13</u>
Special Efforts (Unrestricted)				
	Summer Open Afternoon	(£20.00)		£662.76
	Photos	£741.87		£158.57
	Sponsored Event	£1,661.36		£200.00
	Online Shopping	£152.39		£110.17
		<u>£2,535.62</u>		<u>£1,131.50</u>
Sundry Income (Unrestricted)				
	Donation	£30.00		£1.50
	Bank Interest	£143.65		£5.13
		<u>£116,381.14</u>		<u>£118,049.00</u>



		<u>2023</u>	note	<u>2022</u>
OUTGOINGS				
Early Education Funding (Restricted)				
	AEN	£12,221.82	(4)	£2,409.76
	Early Years Pupil Premium	<u>£1,039.54</u>	(5)	£471.03
		£13,261.36		
Grants (Restricted)				
	Tesco Community Grant	£1,000.00		£0.00
	Withers Trust (Rent)	£829.90		£1,000.00
	Nursery Milk Scheme (Kitchen)	<u>£719.87</u>		<u>£709.05</u>
		£2,549.77		£1,709.05
General Funds (Unrestricted)				
	Wages	£81,299.03	(6)	£83,497.67
	Payroll	£1,055.70		£803.40
	Accounts and Administration	£10,387.78		£6,762.36
	Rent	£7,444.50		£6,976.00
	Training	£1,803.60		£577.34
	Pre-School Learning Alliance Insurance	£932.13		£904.79
	Equipment – <i>Designated Funds</i>	£900.45	(3)	£0.00
	Equipment – <i>Non-Designated Funds</i>	£1,044.88		£853.50
	Postage, Stationery & Printing	£251.33		£637.64
	Kitchen	£184.83		£217.53
	Bank Charges re BACS	£72.00		£54.00
	Communications / IT	£505.44		£450.65
	OFSTED reg.	£50.00		£50.00
	DBS Disclosures	£254.92		£16.20
	Early Years Alliance Membership	£112.11		£109.25
	LCC - SSG Membership	£385.00		£385.00
	Maintenance	£255.00		£452.15
	Staff Uniform	£268.80		£0.00
	Activities	£83.40		-
	Sundry Outgoings	£607.33		£275.50
		<u>£123,709.36</u>		<u>£107,612.82</u>
CLOSING BALANCES				
	Bank (Barclays Current)	£31,287.96		£38,565.32
	Bank (Barclays Business Premium)	£34,365.10		£34,221.45
	Cash (in hand)	<u>£432.25</u>		<u>£626.76</u>
		<u>£66,085.31</u>		<u>£73,413.53</u>



Statement of Assets and Liabilities

Account Balances (at Year End 31st August 2023)

	31 st August 2023	31 st August 2022	Change
Bank (Barclays Current)	* £31,287.96	£38,565.32	(£7,277.36)
Bank (Barclays Business Premium)	£34,365.10	£34,221.45	£143.65
Cash (in hand)	£432.25	£626.76	(£194.51)
	£66,085.31	£73,413.53	(£7,328.22)

* £31,339.25 (plus pending BACS £273.85 and less pending D/DR £316.04 and £9.10).
The Charity had no other liabilities at Year End 31st August 2023.

Restricted Funds (at Year End 31st August 2023)

	31 st August 2023
AEN (4)	£1,959.75
EYPP (5)	£0.00
Tesco Community Grant (3)	£0.00
Withers Trust (Rent)	£0.00
Nursery Milk Scheme (Kitchen)	£0.34
	£1,960.09

Reserve Funds (at Year End 31st August 2023)

	31 st August 2023
Redundancy Fund	£31,420
Emergency Contingency Fund	£29,205
Projected Deficit Fund *	£1,000
Equipment Replacement Fund	£2,500
	£64,125

In line with our Reserves Policy, as outlined in *Risk Management and Reserves* (see page 3).

* A deficit is possible in the year 2023/24 due to the impact of the 9.8% annual increase in the National Living Wage in April 2024.



Assets (at Year End 31st August 2023)

Item	Qty	Purchase Value	Purchase Date	Depreciation since new	Value @ 31 st August 2023
Shed	1	£444.85	12 Jan 12	£444.85	£0.00
Playhouse (replaced May 14)	1	£462.89	12 Jan 12	£462.89	£0.00
Storage tower	1	£245.34	18 May 12	£245.34	£0.00
Mobile bookcase	1	£155.94	29 Jun 12	£155.94	£0.00
Clic construction	1	£111.24	16 Nov 12	£111.24	£0.00
Fire station set	1	£136.68	16 Nov 12	£136.68	£0.00
Dolls house	1	£260.10	26 Apr 13	£260.10	£0.00
Interstar construction	1	£147.54	3 May 13	£147.54	£0.00
Busfold display board	1	£115.92	20 Sep 13	£115.92	£0.00
Construction site/bricks	1	£348.00	1 Oct 13	£348.00	£0.00
Trikes	3	£319.13	4 Apr 14	£319.13	£0.00
Laptop (IT)	1	£409.98	31 Jul 14	£409.98	£0.00
Apple Ipad / case (IT)	2	£745.29	13 Aug 14	£745.29	£0.00
Easel	1	£161.88	14 Aug 15	£161.88	£0.00
Sand and water tray	1	£105.54	14 Aug 15	£105.54	£0.00
Circular red table	1	£203.52	14 Aug 15	£203.52	£0.00
Rolly ride-on tractor	1	£116.00	1 Sep 15	£116.00	£0.00
Filing cabinet	1	£119.99	12 Feb 16	£119.99	£0.00
Laminator	1	£125.99	24 Jan 17	£125.99	£0.00
New garden area	1	£2021.00	21 Apr 17	£2021.00	£0.00
Artificial grass	1	£911.20	12 Jun 17	£911.20	£0.00
Mud sink bench	1	£122.00	4 Sep 17	£122.00	£0.00
Screen	1	£210.00	9 Apr 18	£210.00	£0.00
Apple Ipad / case (IT)	1	£398.99	19 Nov 19	£398.99	£0.00
Motorola Moto G8 (IT)	1	£168.50	26 Sep 20	£168.50	£0.00
Acer Aspire3 laptop(IT)	2	£798.00	30 Aug 21	£532.00	£266.00
Space divider	2	£278.00	2 Oct 21	£133.21	£144.79
Puma ride-on tractor	1	£108.00	20 Sep 22	£27	£81
MF ride-on tractor	1	£108.00	20 Sep 22	£27	£81
Tickit A2 Light Panel	1	£107.99	3 Feb 23	£13.50	£94.49
Safety play surface	1	£2930.00	26 Feb 23	£366.25	£2563.75
					£3231.03

Depreciation is calculated at 33.33% straight line for IT equipment and 25% straight line for other items. This list is only partially populated, with new assets being listed from 1st September, 2011. Only assets with a financial value above £100, in line with the depreciation statement above, will be listed here.



Notes to the Accounts

- (1) These accounts have been prepared on a receipts and payments basis.
- (2) The EYPP (Early Years Pupil Premium) is additional funding aimed at improving the education of disadvantaged three and four year olds. It has increased to £0.62 per hour per eligible child.
- (3) Re-surfacing of the wet-pour play surface in the Village Hall's garden is complete. The designated fund held for this project has been closed with the balance subsumed into general funds. The project has been funded as follows:

<i>Rhino Bounce</i>	(£2930.00)
<i>2022 Tesco Community Grant (Restricted)</i>	£1,000.00
<i>EYPP (Early Years Pupil Premium)</i>	£1,029.55
	(£900.45)
<i>2022 Designated Fund b/f</i>	£2,254.50
<i>2023 Designated Fund balance</i>	£1,354.05
<i>2023 Designated Fund closed</i>	£0.00

- (4) Annual AEN (Additional Educational Needs) outgoings and totals are as follows:

<i>Wages</i>	(£11876.90)
<i>Training</i>	(£267.75)
<i>Postage, Stationery & Printing</i>	(£29.25)
<i>Equipment</i>	(£47.92)
	(£12221.82)
<i>2022 AEN Restricted Fund b/f</i>	£2,747.57
<i>2022/23 Inclusion Funds</i>	£11,434.00
<i>2023 AEN Restricted Fund c/f</i>	£1,959.75

- (5) Annual EYPP (Early Years Pupil Premium) outgoings and totals are as follows:

<i>Equipment</i>	(£9.99)
<i>Equipment – Designated Funds</i>	(£1029.55)
	(£1039.54)
<i>2022 EYPP Restricted Fund b/f</i>	£767.36
<i>2022/23 EYPP</i>	£272.18
<i>2023 EYPP Restricted Fund c/f</i>	£0.00

- (6) HMRC has confirmed that Over Kellet Playgroup is eligible for Employment Allowance. A backdated credit of £10,876.26 is showing on Playgroup's PAYE online account. HMRC has explained that they need to allocate the credit to Playgroup's historic Employer's NI payments before the credit can be released for payment. The final total of this pending payment is not confirmed at this stage but Playgroup should receive it within the next financial year 2023/24.