



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

Over Kellet Playgroup

For the financial year beginning on 1st September 2023 and ending on 31st August 2024

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Trustees:

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

Zoe Midgley (Chair)
Anne-Marie Steel (Secretary)
Lois Barnes (Treasurer)
Heather Ellershaw
Susannah Burden

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 2024, 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 early years education and childcare in the Village Hall during term-time for children from the age of two until they start school.

The autumn term was unusually quiet this year with only twenty-three children on the register in December. The staff team made the most of this and enjoyed having a bit more time to play and focus on particular areas of learning and development. Occupancy levels only slowly increased through the spring term but jumped in the summer back to expected levels.

Playgroup sessions regularly run with an 'extra' member of staff (over and above the EYFS statutory staff to child ratio) to ensure that the development and individual needs of every child, including those with SEND, are nurtured. As soon as numbers made it feasible, we restarted sessions with the *Reading Fairy* to further promote the children's awareness of phonics and early reading.

We foster good relationships with all Playgroup families and have continued to welcome current and prospective parents and carers into the setting at regular Stay & Play sessions. Thank you to Rev Matt Gilder, the vicar of St. Cuthbert's Church, for allowing Playgroup to go on a visit to see the church. It is always great to stay involved with the wider community

The trustees welcome the relationship we have with local primary schools, especially *Wilson's Endowed School* in Over Kellet. This year we were fortunate to join the school-children to watch their Christmas pantomime and a summer music performance. The Monday afternoon preschool sessions have again been held by school in the second half of the autumn term and the summer term. This is fantastic preparation for many of our preschoolers for the transition to school and we thank *Wilson's Endowed* for this offer.

Congratulations to our Manager, Lynsey, for completing her Level 3 Early Years SENCo course – we really do appreciate her efforts. We have been so pleased to welcome Susan back as relief cover. The children love her gentle nature and the fact that she is always



ready to read a story! Huge thanks to 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 profit of £3,639.92. While this is welcome news following last year's deficit of (£7,328), it is important to recognise that this profit includes a large reimbursement of £11,809.77 from HMRC in December with regards to backdated Employment Allowance. Without this additional and exceptional income, Over Kellet Playgroup would again be reporting a deficit of (£8,170).

These are concerning times across the sector as the increase in the National Living Wage is not matched by an appropriate increase in the Early Education Funding base rate. The trustees are monitoring the financial situation but are not downhearted. We do not yet fully understand the local impact of the changes to the childcare funding offers announced in the March 2023 Budget. However, there was a sudden and welcome jump in occupancy levels in the summer term as eight newly funded two-year-olds joined Playgroup sessions. Numbers have certainly been boosted and we are now receiving enquiries from parents wanting to book a Playgroup place one or two years in advance. There are busy times ahead and Playgroup is vibrant, happy and thriving.

As always, spending on the Continuing Professional Development of Playgroup's staff team has been prioritised. A total of £1,189.78 (some of which was allocated to AEN and EYPP funding) has been spent on training in Dysregulated Behaviour, Attachment and Trauma, Talking Together, Wellbeing and Paediatric First Aid, to name but a few courses. The trustees also prioritised the purchase of two new iPads for the staff to access *Tapestry* as the original ones were ten years old and no longer receiving security updates.

As ever, the trustees are incredibly grateful to the *Withers Trust* for its continuing support; Playgroup received £1,200 in grants towards Hall hire costs. Thanks also to Sparrow Playgroup for the kind donations of equipment, including some much-needed soft-play for inside physical play, and a £1,000 donation from their closing funds.

With regards to special efforts, Playgroup held another "Sponsored Olympics" this summer which was enormous fun and raised a brilliant £1,327. Thanks are due to our Manager (in-house photographer), Lynsey, for organising the leavers' photos and Christmas craft fundraiser. In total, £1,867.82 has been raised this year by the Playgroup community – thank you!



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*. We have no control over percentage increases to the hourly base rate which determines our income. This is a time of change as more children are becoming eligible for the working families entitlement; (please see www.lancashire.gov.uk/education/childcare). The impact this will have on our setting is as yet not fully understood.

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) – see *Notes to the Accounts* (3 & 4).

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 2023 – 31st August 2024

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
16th January 2025.



Receipts and Payments Accounts

		<u>2024</u>	note	<u>2023</u>
OPENING BALANCES				
Bank (Barclays Current)		£31,287.96		£38,565.32
Bank (Barclays Business Premium)		£34,365.10		£34,221.45
Cash (in hand)		£432.25		£626.76
		£66,085.31		£73,413.53
INCOME				
			(1)	
Fees and Early Education Funding (Unrestricted)				
LCC Early Education Funding (3/4Y)	£68,366.76			£81,188.72
LCC Early Education Funding (2Y)	£11,735.81			£5,524.67
Fees	£11,625.55			£13,703.27
		£91,728.12		£100,416.66
Early Education Funding (Restricted)				
AEN	£2,905.28			£11,434.00
Early Years Pupil Premium	£1,418.38			£272.18
		£4,323.66		£11,706.18
Grants (Restricted)				
Withers Trust (Rent)	£1,200.00			£829.90
Nursery Milk Scheme (Kitchen)	£570.96			£719.13
		£1,770.96		£1,549.03
Special Efforts (Unrestricted)				
Photos and Craft	£502.73			£741.87
Sponsored Event	£1,327.00			£1,661.36
Online Shopping	£38.09			£152.39
		£1,867.82	(2)	£2,555.62
Sundry Income (Unrestricted)				
Donation		£1,001.34		£30.00
Bank Interest		£471.17		£143.65
		£101,163.07		£116,401.14



		<u>2024</u>	note	<u>2023</u>
OUTGOINGS				
Early Education Funding (Restricted)				
	AEN	£3,427.96	(3)	£12,221.82
	Early Years Pupil Premium	£1,090.06	(4)	£1,039.54
		£4,518.02		
Grants (Restricted)				
	Tesco Community Grant	-		£1,000.00
	Withers Trust (Rent)	£1,200.00		£829.90
	Nursery Milk Scheme (Kitchen)	£571.30		£719.87
		£1,771.30		£2,549.77
General Funds (Unrestricted)				
	Wages	£77,779.50	(5)	£81,299.03
	Payroll	£1,164.42		£1,055.70
	Accounts	£150.00	(6)	£10,387.78
	Rent	£6,765.50		£7,444.50
	Training	£730.98		£1,803.60
	Early Years Alliance (RSA) Insurance	£886.46		£932.13
	Equipment – <i>Designated Funds</i>	-		£900.45
	Equipment – <i>Non-Designated Funds</i>	£776.58		£1,044.88
	Postage, Stationery & Printing	£348.37		£251.33
	Kitchen	£171.97		£184.83
	Bank Charges re BACS	£66.00		£72.00
	Communications / IT	£1,105.59		£505.44
	OFSTED reg.	£50.00		£50.00
	DBS Disclosures	£200.56		£254.92
	Early Years Alliance Membership	£115.91		£112.11
	LCC - SSG Membership	£385.00		£385.00
	Maintenance	£271.50		£255.00
	Staff Uniform	£0.00		£268.80
	Activities	£0.00		£83.40
	Sundry Outgoings	£265.49	(2)	£627.33
		£97,523.15		£123,729.36
CLOSING BALANCES				
	Bank (Barclays Current)	£34,662.62		£31,287.96
	Bank (Barclays Business Premium)	£34,836.27		£34,365.10
	Cash (in hand)	£226.34		£432.25
		£69,725.23		£66,085.31



Statement of Assets and Liabilities

Account Balances (at Year End 31st August 2024)

	31 st August 2024	31 st August 2023	Change
Bank (Barclays Current)	* £34,662.62	£31,287.96	£3,374.66
Bank (Barclays Business Premium)	£34,836.27	£34,365.10	£471.17
Cash (in hand)	£226.34	£432.25	(£205.91)
	£69,725.23	£66,085.31	£3,639.92

* £35,259.91 (plus pending BACS £132.30 and less un-presented cheque £315, pending online payment £53.55 and pending direct debits £352.41 and £8.63).
The Charity had no other liabilities at Year End 31st August 2024.

Restricted Funds (at Year End 31st August 2024)

	31 st August 2024
AEN (3)	£1,437.07
EYPP (4)	£328.32
Withers Trust (Rent)	£0.00
Nursery Milk Scheme (Kitchen)	£0.00
	£1,765.39

Reserve Funds (at Year End 31st August 2024)

	31 st August 2024
Redundancy Fund	£35,646
Emergency Contingency Fund	£28,810
Projected Deficit Fund *	£1,000
Equipment Replacement Fund	£2,500
	£67,956

In line with our Reserves Policy, as outlined in *Risk Management and Reserves* (see page 4).

* A deficit is possible in the year 2024/25 due to the impact of the 6.7% annual increase in the National Living Wage in April 2025.



Assets (at Year End 31st August 2024)

Item	Qty	Purchase Value	Purchase Date	Depreciation since new	Value @ 31 st August 2024
Shed	1	£444.85	12 Jan 12	£444.85	£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
Busyfold 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
Easel	1	£161.88	14 Aug 15	£161.88	£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	£798.00	£0.00
Space divider	2	£278.00	2 Oct 21	£202.71	£75.29
Puma ride-on tractor	1	£108.00	20 Sep 22	£54.00	£54.00
MF ride-on tractor	1	£108.00	20 Sep 22	£54.00	£54.00
Tickit A2 Light Panel	1	£107.99	3 Feb 23	£42.75	£65.24
Safety play surface	1	£2930.00	26 Feb 23	£1098.75	£1831.25
Apple Ipad / case (IT)	2	£937.98	29 Jan 24	£182.38	£755.60
					£2835.38

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 2023 accounts have been amended because the £20 payment for the Lottery Licence was mistakenly presented as a negative balance within Special Efforts income. It has been moved to Sundry Outgoings.
- (3) Annual AEN (Additional Educational Needs) outgoings and totals are as follows:

Wages	(£2688.43)
Training	(£428.80)
DBS	(£50.73)
Postage, Stationery & Printing	(£19.55)
Equipment	(£240.45)
	(£3427.96)
2023 AEN Restricted Fund b/f	£1,959.75
2023/24 Inclusion Funds	£2,905.28
2024 AEN Restricted Fund c/f	£1,437.07

- (4) The EYPP (Early Years Pupil Premium) is additional funding aimed at improving the education of disadvantaged children. It has increased to £0.68 per hour per eligible child.

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

Equipment	(£79.07)
Wages	(£500.00)
IT	(£468.99)
Training	(£30.00)
Activities	(£12.00)
	(£1090.06)
2023 EYPP Restricted Fund b/f	£0.00
2023/24 EYPP	£1,418.38
2024 EYPP Restricted Fund c/f	£328.32

- (5) Last year, HMRC confirmed that Over Kellet Playgroup was eligible for Employment Allowance. A backdated refund of £11,809.77 has been received. As this refund has been deducted from annual wage expenditure, the 'true' wages total for the year is £89,589.27.
- (6) The large drop in accounts expenditure compared to 2023 is due to the movement of the Business Manager's wage from accounts to wages.