

Treasurer's report for AGM 30th November 2023

Hi, I'm Kamila Cantor and I'm the Treasurer.

Everyone should have a copy of the profit and loss report covering the financial year 01st September 2022 to 31st August 2023. These accounts have not yet been reviewed. I will arrange an independent Accountant to verify and submit our accounts to Charity Commissioner.

We try to operate on a break-even basis, and we had built up some extra reserves over the last few years. Currently we have £32,156.86 in reserve account and £54,374.50 in main account. In the last couple of years our income exceeded our expenses. Our monthly cash flow depends on the timing of the payments from London Borough Bromley and so which term they fall in. This year we made a loss of around £6,193.84.

We need to ensure we have enough money in the bank account to count for 6 months wages (about £60,000) in case our funding is late.

Most of our funding comes from the Nursery Education Grant from Bromley LEA this year we received £110,500 compared to last year £108,000, which is £2,500 higher. We raised £11,255 from fees – this figure is lower to last year of £31,653 difference is £20,398. We need to bear in mind that this fluctuates as the fees highly depends on the ages of the children in playgroup.

As a non-profit making organisation, we try to reinvest any surplus funds after paying wages, training, rent and other essentials.

Our expenses were lower this year by £10,384 compared to last year, but due to lower amount of fees raised by £20,398 we still made a substantial loss.

As we value our staff highly at playgroup - they all undertake regular training and were awarded a 3% pay increase in December 2022.

Further pay increase to be discussed at the end of the meeting but I recommend 10% increase to be taken effect from April 2023 salaries. This is to match the increase in living costs in London. The minimum national salary has increased from £10.42 to £11.44; this is 10% increase. To implement this increase in salaries we need to find additional £11,170 per year.

To justify this increase we will have to increase our paid fees from £15 per session to £20 per session or even go as high as £25 per session.

Royston Playgroup

Profit and Loss Report

01 September, 2022 - 31 August, 2023

Sales

4000 - Sales - Products & Services	11,255.00	
4900 - Other income LB BROMLEY N Ed Grant	110,572.72	
	
	Total Sales	£121,827.72

Direct Expenses

5050 - Sub-Contractors	371.44	
8202 - Staff Gifts	428.00	
	
	Total Direct Expenses	£799.44

GROSS PROFIT / LOSS	£121,028.28
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Overheads

7000 - Employee Wages and Salaries	111,170.69
7020 - Employers NI	3,258.63
7030 - Employer's Pension	1,602.31
7100 - Rent	3,200.00
7501 - Paint / Paper/ Craft / Art	246.36
7520 - Office Stationery	1,978.38
7540 - Internet Charges	475.80
7551 - It Services	93.60
7600 - Legal Fees / DBS Checks	124.58
7601 - ICO	35.00
7602 - Ofsted	50.00
7610 - Accountancy Fees	600.00
7630 - Business Insurance	721.60
7810 - Cleaning and cleaning products	28.40

7900 - Bank Charges and Interest	-243.45	
8200 - General Expenses / Toys	1,736.64	
8201 - Gardening	35.98	
8203 - Staff Party	239.94	
8204 - PPL PRS Music Licence	135.02	
8210 - Subscriptions	683.49	
8211 - Books / Magazines	130.24	
8230 - Training Costs	24.97	
8240 - Refreshments / Snacks	893.94	
	Total Overheads	£127,222.12
	NET PROFIT / LOSS	-£6,193.84



INDEPENDENT EXAMINERS REPORT

REPORT TO THE TRUSTEES OF – Royston Playgroup

ACCOUNT PERIOD – 01 September 2022 to 31 August 2023

REGISTERED CHARITY NUMBER – 1030644

I report to the Trustees of Royston Playgroup (“the trust”) on the examination of the accounts for the year ending 31 August 2023.

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirement of the Charities Act 2011 (“The Act”).

I report in respect of my examination of the Trust’s accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed: _____

Date: 28 May 2024

Name: Catherine Louise Parkes

Company: CLP Bookkeeping & Accountancy
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OBSERVATIONS

Following the Independent Examination I have also noted the following observations, which may be of use during your next AGM/Committee Meeting:

- The charity holds a constitution that has clear objectives of the charity and its use of finances. However, the constitution does not detail the structure of the charity or any specific roles held e.g. Chairperson, Treasurer.
- The constitution has clear direction on all financial aspects of the charity and how income can be spent, however, there is no mention of a reserves policy and how much should remain in the account at the end of the accounting period. That being said the trustees report does make it clear that there should be a reserve of £60,000 at any one time to ensure staff liabilities can be met.
- There are regular committee meetings which are fully documented. The minutes are clear and easy to follow for direction and contains a full breakdown of the financial state.
- The Trustees Report is a comprehensive account of the financial state. It contains full explanations making easy reading for non-finance committee members. The new Treasurer is a financial professional, which will prove to be a valuable asset to the charity.
- Overall profit has decreased by 12.6% from last year due to a drop in income. Financial reserves are managed well so this has had no impact on the running of the charity.
- The charity has no trading accounts, restricted accounts or designated funds.
- The charity is well run with engagement from the committee.

Overall, this is a very well run charity that manage their income well. There is a clear understanding of the need to maintain a financial reserve and how much that financial reserve needs to be to meet arising liabilities.

Signed: _____

Date: 28 May 2024



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