

Charity registration number: 1033570

Trentham Playgroup

known as

Trentham Pre-School

Annual Report and Financial Statements

for the Year Ended 31 July 2021

Trentham Playgroup
known as Trentham Pre-School

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known as Trentham Pre-School

Reference and Administrative Details

Trustees	Mark Ingram, Chair Vanessa Griffin Stephanie Hill Jodie Knapper Lucy Bloor Laura Kettle
Senior Management / Leadership Team	Lucy Gavin, Manager Vanessa Alcock, Assistant Manager Lauren Sadler, Assistant Manager Rachel McCue, Manager
Principal Office	40 New Inn Lane Trentham Stoke-on-Trent Staffordshire ST4 8EX
Charity Registration Number	1033570
Independent Examiner	Daryl Denson ACMA VAST The Dudson Centre Hope Street Stoke-on-Trent ST1 5DD

Trentham Playgroup
known as Trentham Pre-School

Trustees' Report

The trustees present the annual report together with the financial statements of the charity for the year ended 31 July 2021.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

Trustees:	Mark Ingram, Chair, Chair
	Vanessa Griffin (appointed 7 March 2022)
	Stephanie Hill (appointed 7 March 2022)
	Jodie Knapper (appointed 1 September 2021)
	Lucy Bloor (appointed 1 September 2021)
	Laura Kettle (appointed 1 September 2021)

Senior Management / Leadership Team:	Lucy Gavin (resigned 25 February 2022)
	Vanessa Alcock (resigned 30 December 2021)
	Lauren Sadler (appointed 28 February 2022)
	Rachel McCue (appointed 1 April 2022)

Objectives and activities

Objects and aims

To enhance the development and education of children under statutory school age, by encouraging parents to understand and provide for the needs of their children through community groups and to ensure that all children are given an opportunity to achieve their full potential, in a safe and secure environment, whilst ensuring that we remain accessible to all sections of the local community.

Objectives, strategies and activities

We provide affordable childcare for our local community. We also have a high percentage of funded children, in particular 2 year funded. We also provide a stable, safe environment for vulnerable, underprivileged children, where all children are given opportunities to learn and flourish. We cover the 7 areas of learning through play.

Public benefit

Our pre-school is open to all in our local community between the ages of 2 and 5 years old. We advertise locally and work with the local authority to ensure that we are inclusive. We work within the framework of the Early Years Foundation Stage (EYFS) and we believe that all children deserve the best possible start in life.

The Trustees confirm that they have complied with the requirements of section 4 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

Following on from the COVID Pandemic thankfully the pre-school attendance has almost returned to pre-February 2020 levels and has only increased during the course of the year. This has also meant that staffing levels had to increase to accommodate the extra children but where possible this was done by increasing the number of hours existing staff were working. This has meant that we can keep a watch on spending without having to recruit extra staff, potentially leaving us at risk of paying out more than was coming in. The difference in the income and expenditure in this report speaks for itself.

Trentham Playgroup
known as Trentham Pre-School
Trustees' Report

Financial review

The results for the year are set out in the Statement of Financial Activities.

Policy on reserves

Unrestricted free reserves at the year end were £56,785 (2020: £33,400). The charity continues to hold a modest amount of reserves, to cover wages costs, in the event of a reduction in income, and maintenance of the building for which we are responsible.

Principal funding sources

Our principal funding sources are "Nursery Education Funding" which is funded by Stoke-on-Trent City Council, fees from parents who are able to afford a contribution towards their child's early learning education provision and employer childcare voucher schemes.

Structure, governance and management

Nature of governing document

The Charity is operated under the rules of its constitution adopted on 16 June 1993 and amended in November 2012 and November 2015.

Recruitment and appointment of trustees

Trustees are appointed at our Annual General Meeting each year and are voted on by parents who have children attending the pre-school.

Major risks and management of those risks

Occupancy Levels

Our main issue which we face are the number of children who reach the statutory age for starting a primary school education, which we lose from our register and this drastically affects occupancy levels during the first term of the school year, particularly in September.

We advertise locally and complete marketing exercises such as leaflet drops within the surrounding area. We also hold reserves to take into account the covering of expenses when our income rates are lowered, particularly during the autumn term.

The annual report was approved by the trustees of the charity on^{26/5/22} and signed on its behalf by:


.....
Mark Ingram
Trustee

Trentham Playgroup

known as Trentham Pre-School

Independent Examiner's Report to the trustees of Trentham Playgroup

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

Responsibilities and basis of report

As the charity trustees of Trentham Playgroup 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 Trentham Playgroup'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:

1. accounting records were not kept in respect of Trentham Playgroup as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 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.

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.



.....
Daryl Denson ACMA

VAST
The Dudson Centre
Hope Street
Stoke-on-Trent
ST1 5DD

Date:..... 27/05/2022

Trentham Playgroup
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Statement of Financial Activities for the Year Ended 31 July 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	2	73,704	-	73,704
Charitable activities	3	21,065	-	21,065
Investment income	5	2	-	2
Total Income		94,771	-	94,771
Expenditure on:				
Charitable activities	6	(71,386)	-	(71,386)
Total Expenditure		(71,386)	-	(71,386)
Net movement in funds		23,385	-	23,385
Reconciliation of funds				
Total funds brought forward		33,400	174,189	207,589
Total funds carried forward	16	56,785	174,189	230,974
	Note	Unrestricted Funds £	Restricted funds £	Total 2020 £
Income and Endowments from:				
Donations and legacies	2	92,589	2,251	94,840
Charitable activities	3	13,531	-	13,531
Other trading activities	4	182	-	182
Investment income	5	35	-	35
Total Income		106,337	2,251	108,588
Expenditure on:				
Charitable activities	6	(110,064)	-	(110,064)
Total Expenditure		(110,064)	-	(110,064)
Net movement in funds		(3,727)	2,251	(1,476)
Reconciliation of funds				
Total funds brought forward		37,127	171,938	209,065
Total funds carried forward	16	33,400	174,189	207,589

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 7 to 17 form an integral part of these financial statements.

Trentham Playgroup
known as Trentham Pre-School
(Registration number: 1033570)
Balance Sheet as at 31 July 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	12	171,664	171,664
Current assets			
Debtors	13	4,481	4,300
Cash at bank and in hand		<u>55,931</u>	<u>37,616</u>
		60,412	41,916
Creditors: Amounts falling due within one year	14	<u>(1,102)</u>	<u>(5,991)</u>
Net current assets		<u>59,310</u>	<u>35,925</u>
Net assets		<u>230,974</u>	<u>207,589</u>
Funds of the charity:			
Restricted income funds			
Restricted funds		174,189	174,189
Unrestricted income funds			
Unrestricted funds		<u>56,785</u>	<u>33,400</u>
Total funds	16	<u>230,974</u>	<u>207,589</u>

The financial statements on pages 5 to 17 were approved by the trustees, and authorised for issue on and signed on their behalf by:



.....
Mark Ingram
Trustee

Trentham Playgroup
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Notes to the Financial Statements for the Year Ended 31 July 2021

1 Accounting policies

Statement of compliance

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

Basis of preparation

Trentham Playgroup meets the definition of a public benefit entity under FRS 102. The accounts (financial statements) have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant note(s) to these accounts.

Going concern

The financial statements have been prepared on a going concern basis.

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Donations and legacies

Donations and legacies are recognised on a receivable basis when receipt is probable and the amount can be reliably measured.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

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

Charitable activities

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised based on the accrual model and are measured at the fair value of the asset received or receivable. Grants are classified as relating either to revenue or to assets. Grants relating to revenue are recognised in income over the period in which the related costs are recognised. Grants relating to assets are recognised over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Tangible fixed assets

Individual fixed assets costing £500 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Buildings	0% - the residual value is not materially different from the carrying value of the asset
Fixtures, Fittings and Equipment	20% - on a straight line basis

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

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

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Financial instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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

Redundancy and Termination Costs

Redundancy and termination costs are recognised as an expense in the financial statements immediately at the point the charity is demonstrably committed to either terminate the employment by the charity before the normal retirement date, or whenever the employee accepts voluntary redundancy in exchange for these benefits. The charity recognises termination benefits in the statement of financial activities when it is demonstrably committed to either (i) terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or (ii) providing termination benefits as a result of an offer made to encourage voluntary redundancy.

2 Income from donations and legacies

	Unrestricted funds General £	Total 2021 £
Donations and legacies;		
Donations from individuals	593	593
Grants, including capital grants;		
Government grants	72,611	72,611
Grants from companies	500	500
	<u>73,704</u>	<u>73,704</u>
	Unrestricted funds General £	Restricted funds £
Grants, including capital grants;		Total 2020 £
Government grants	92,089	-
Grants from other charities	-	2,251
Grants from companies	500	-
	<u>92,589</u>	<u>2,251</u>
		<u>94,840</u>

3 Income from charitable activities

	Unrestricted funds General £	Total 2021 £
Fees received	21,065	21,065
	Unrestricted funds General £	Total 2020 £
Fees received	13,531	13,531

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

4 Income from other trading activities

	Unrestricted funds General £	Total 2021 £
		-
Fundraising	182	182
	182	182

5 Investment income

	Unrestricted funds General £	Total 2021 £
Interest receivable and similar income;		
Interest receivable on bank deposits	2	2
	2	2

	Unrestricted funds General £	Total 2020 £
Interest receivable and similar income;		
Interest receivable on bank deposits	35	35
	35	35

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

6 Expenditure on charitable activities

	Unrestricted funds General £	Total 2021 £
Staff costs	55,749	55,749
Play equipment & resources	1,286	1,286
Purchase of uniforms	106	106
Training	325	325
Cleaning, repairs & maintenance	4,736	4,736
Rates	320	320
Refreshments	343	343
Utilities	3,388	3,388
Office expenses	209	209
Subscriptions, legal & professional fees	2,845	2,845
Insurance	1,611	1,611
Sundries	468	468
	<u>71,386</u>	<u>71,386</u>
	Unrestricted funds General £	Total 2020 £
Staff costs	97,593	97,593
Play equipment & resources	2,246	2,246
Cleaning, repairs & maintenance	2,107	2,107
Rates	823	823
Refreshments	165	165
Utilities	3,925	3,925
Office expenses	47	47
Subscriptions, legal & professional fees	1,669	1,669
Insurance	1,465	1,465
Sundries	24	24
	<u>110,064</u>	<u>110,064</u>

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

Included in the expenditure analysed above, there are governance costs of £780 (2020: £750). See note 7 for further details.

7 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2021 £
Independent examiner fees		
Examination of the financial statements	780	780
	<u>780</u>	<u>780</u>
	Unrestricted funds General £	Total 2020 £
Independent examiner fees		
Examination of the financial statements	750	750
	<u>750</u>	<u>750</u>

Trentham Playgroup
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Notes to the Financial Statements for the Year Ended 31 July 2021

8 Government grants

The charity receives unrestricted funding in the form of grants from the Nursery Education Fund of £72,611 (2020: £84,253) which is funded by Stoke-on-Trent City Council as part of their Free Nursery Education Funding scheme, which provides childcare for two, three and four year old children within the city.

During the year ended 31 July 2021 the charity received nil (2020: £2,836) from the government's Job Retention Scheme and nil (2020: £5,000) from Stoke-on-Trent City Council.

The amount of grants recognised in the financial statements was £72,611 (2020 - £92,089).

There are no unfulfilled conditions at the year end relating to this grant.

9 Trustees remuneration and expenses

No trustees have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

10 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	54,433	95,720
Pension costs	<u>1,316</u>	<u>1,873</u>
	<u>55,749</u>	<u>97,593</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2021 No	2020 No
Average number of persons employed	<u>4</u>	<u>8</u>

3 (2020 - 6) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £1,316 (2020 - £1,873).

During the year, the charity made redundancy and/or termination payments which totalled £Nil (2020 - £12,086).

No employee received emoluments of more than £60,000 during the year

The total employee benefits of the key management personnel of the charity were £34,641 (2020 - £36,380).

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

11 Taxation

The charity is a registered charity and is therefore exempt from taxation.

12 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 August 2020	171,664	3,386	175,050
At 31 July 2021	171,664	3,386	175,050
Depreciation			
At 1 August 2020	-	3,386	3,386
At 31 July 2021	-	3,386	3,386
Net book value			
At 31 July 2021	171,664	-	171,664
At 31 July 2020	171,664	-	171,664

13 Debtors

	2021 £	2020 £
Prepayments	220	-
Other debtors	4,261	4,300
	4,481	4,300

14 Creditors: amounts falling due within one year

	2021 £	2020 £
Other taxation and social security	331	4,144
Other creditors	(9)	497
Accruals	780	1,350
	1,102	5,991

15 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £1,316 (2020 - £1,873).

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

16 Funds

	Balance at 1 August 2020 £	Incoming resources £	Resources expended £	Balance at 31 July 2021 £
Unrestricted funds				
<i>General</i>				
General Fund	33,400	95,019	(71,634)	56,785
Restricted funds				
Capital Fund	171,664	-	-	171,664
Co-op Local Community Fund	2,525	-	-	2,525
Total restricted funds	<u>174,189</u>	<u>-</u>	<u>-</u>	<u>174,189</u>
Total funds	<u>207,589</u>	<u>95,019</u>	<u>(71,634)</u>	<u>230,974</u>
	Balance at 1 August 2019 £	Incoming resources £	Resources expended £	Balance at 31 July 2020 £
Unrestricted funds				
<i>General</i>				
General Fund	37,127	106,337	(110,064)	33,400
Restricted				
Capital Fund	171,664	-	-	171,664
Co-op Local Community Fund	274	2,251	-	2,525
Total restricted funds	<u>171,938</u>	<u>2,251</u>	<u>-</u>	<u>174,189</u>
Total funds	<u>209,065</u>	<u>108,588</u>	<u>(110,064)</u>	<u>207,589</u>

The specific purposes for which the funds are to be applied are as follows:

Capital Fund

The capital fund holds the value of the charity's property.

Co-op Local Community Fund

To help fund the purchase and installation of an interactive whiteboard and fixtures. This was unable to be completed in the year due to COVID restrictions.

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

17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 July 2021 £
Tangible fixed assets	-	171,664	171,664
Current assets	57,887	2,525	60,412
Current liabilities	(1,102)	-	(1,102)
Total net assets	56,785	174,189	230,974
	Unrestricted funds General £	Restricted funds £	Total funds at 31 July 2020 £
Tangible fixed assets	-	171,664	171,664
Current assets	39,391	2,525	41,916
Current liabilities	(5,991)	-	(5,991)
Total net assets	33,400	174,189	207,589

18 Related party transactions

During the year the charity made the following related party transactions:

L Gavin

(Daughter of trustee K Gavin)

L Gavin is employed as the manager of the charity with the charity's standard terms of employment. Her total remuneration for the year (including pension contributions) was £17,361(2020:£20,266). At the balance sheet date the amount due to/from L Gavin was £Nil (2020 - £Nil).