

NORTH MUSKHAM PLAYGROUP
Charity Number 1036670

Receipts and Payments Account for the Year Ended 31 August 2022

	<u>2022</u>		<u>2021</u>	
	£	£	£	£
Income				
Fees	29602		27236	
Funding	74982		63269	
Fundraising	1101		553	
Grants & Donations	70		734	
Bank Interest	6		7	
Other Income	875		857	
		106636		92656
Expenditure				
Rent	6622		6575	
Salaries	69478		70222	
Staff Costs and Training	764		1293	
Fundraising Expenses	585		1580	
Renewal Expenses	536		958	
Insurance PPA Membership/Subscriptions	934		1556	
Toys and Equipment	12126		11116	
Telephone and Treasurer Expenses	282		314	
Administration	1450		1355	
Advertising	110		110	
Accountancy	756		720	
Breakfast Supplies	1477		1293	
Petty cash errors	(84)		-	
		95036		97092
Surplus/(Deficit) for the Year		11600		(4436)

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Balance Sheet at 31 August 2022

	2022	2021
	£	£
Cash at Bank		
Deposit Account	35501	35495
Current Account	25637	14073
Cash in Hand	110	80
 Net Assets	 61248	 49648
 Represented By:		
Accumulated Fund		
Balance as at 1 September	49648	54084
Surplus/(Deficit) for the Year	11600	(4436)
 Balance at 31 August	 61248	 49648

These accounts were approved by the Trustees on

RACHAEL BURROWS Chairperson



CATHERINE PRICE Treasurer



**NORTH MUSKHAM PLAYGROUP
CHARITY NUMBER 1036670**

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES

We report on the accounts of the North Muskham Playgroup for the year ended 31 August 2022 comprising the Receipts and Payments Account and Balance Sheet.

The Receipts and Payments Account does not include amounts due at the Balance Sheet date. In particular salaries paid in September relating to August are not reflected in the accounts. This is consistent with the previous year's accounts.

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 43(2) of the Charities Act.

It is my responsibility to:

- Examine the accounts under section 43 of the 1993 Act
- To follow the procedures laid down in the General Directions given by the Charity Commission (under section 43(7) of the 1993 Act and
- To state whether particular matters have come to my attention

BASIS OF INDEPENDENT EXAMINER'S REPORT

Our 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 with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanations from the 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 the course of our examination, no matter has come to our attention:

- 1) which gives us reasonable cause to believe that in any material respect, the trustees have not met the requirements to ensure that:
 - proper accounting records are kept in accordance with section 41 of the 1993 Act; and
 - accounts are prepared which agree with the accounting records and comply with the accounting requirements of the 1993 Act; or
- 2) to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

K J Eaton & Co (Accountants) Ltd
Edwinstowe House
Centre for Business Excellence
Edwinstowe
Nottinghamshire
NG21 9PR

25 October 2022

Trustee Report

Aims and Purpose

North Muskham playgroup aims to provide affordable childcare to serve the local community. Opening Tuesday to Friday school term time, within the hours of 8am to 4pm. Taking place at the local village hall, renting a room and the kitchen facilities. This attaches to their own gated outdoor play area, with secure access to North Muskham Community playing field and park. The children attending playgroup are between the ages of age 2-4, a mixture of fee-paying children and those receiving government funding. At the start of September 2021, we had 30 children attending the setting. This year (2022-23), we have commenced with a total of 23 children.

Structure, governance and management

Playgroup is regulated by Ofsted and currently rated as GOOD. Playgroup is managed daily at ground level by the playgroup manager Helen Walters, who holds level 3 childcare NVQ and SENCO qualifications. Deputy manager Alicia Hewerdine is level 3 trained. One other staff member is NVQ level 2 childcare trained. Then we have 1 member of staff who has just finished her level 2 childcare NVQ awaiting to be signed off, funded via playgroup. We occasionally have bank staff who are trained or untrained, with full DBS checks. Staffing ratios and minimum qualifications are always in line with the Statutory Framework for the Early Years Foundation stage guidelines. Staff have regular access to training which is encouraged and supported. The playgroup is governed by a committee. The committee is made up of prospective, retrospective or current parents with children who will or have previously accessed the childcare setting. The committee consists of parents with a passion to continue the local provisions of quality and affordable childcare in their community. The committee currently has 8 trustees, who all require DBS checks via Ofsted. We meet once during every school term and also hold an annual AGM, to address general running of the playgroup. We have a chair and treasurer with key roles. The treasurer is assisted by our accountant for payroll and HMRC activities. We comply with the charity commission guidance in how we run our committee and make decisions. Meetings are held as required for any other issues.

Achievements and performance

We have had a very busy year 2021-2022 with the highest volume of children ever attending the setting. This has meant we have needed to recruit extra supply staff to work regular to support the child ratios. It had a negligible difference to last year in terms of staffing expenditures. 2020-21 playgroup was also well attended and needed similar staffing. All staff have had a wage increment to support the minimum wage increase. We started the year with £14,072.92 in the current account. We appear to have made a profit of £11,600. However, some of this is due to being paid £6996.91 early in August 2022, for the following financial year. Giving a real profit of £4,603.09. We had a

healthy £25,636.82 in our current account at the end of the year. Extra-curricular activities continue to be provided at no extra cost to children, such as forest school and caterpillar music. We have replenished toys and equipment this year. We also used our positive financial situation to invest into our Forest School, purchasing a shed for equipment storage. Our biggest expenditure invoices this year have been with county supplies, ordering equipment for the children. We have boarded out a storage cupboard allowing for better storage of toys. There has been no other significant expenditure. We have benefited from a government initiative last year to give us a grant of £1500 with one of our new employees hired as an apprentice working through their level 2 childcare. Receiving £750 in June 2021 and received the second instalment February 2022. Rent has increased by £10 per week, this is shown in the accounts as a marginal difference.

There has been a discrepancy with the petty cash this year. Some money which had been spent was not accounted for, this gave us an error of being £84 in credit in the final petty cash balance. It is difficult to work out how this happened. Since this error, we have had a meeting with key committee and playgroup employees. We completed together the charity commission financial controls self-assessment, then wrote a report on the error and provided recommendations and new financial policies. We will use a new system of documenting petty cash for vigorous bookkeeping. Petty cash usage has decreased over the last few years. Last year we provided an extra bank card to Deputy Manager Alicia, often in charge of buying items. This has ensured the purchase of items to be used primarily using a bank card

Reserves Policy

Playgroup needs to run with some reserves, year to year child numbers can vary and reserves ensure our ability to provide a service with variable income. We have had two consecutive incredibly successful years. However we do not forecast the same uptake this year, with less children attending the setting. Wages will go up again this April 2023 with minimum wage increases. Previous years we have managed to cope well with less children attending the setting, as wages were significantly lower for a variety of reasons; the biggest impact being lower wages in line with Government, particularly in some staff due to their age and unqualified status. In 2019, wages totalled £53,671, in 2022 the total was £69,978. Wages are projected to be £65,217 this financial year, this includes previously agreed reduction of staff hours due to a temporary contract and less supply staff. Our projected income looks to be £72,858. Compared to 2021-22 which was £106,259. A loss of £12,000 is projected. We have this amount to buffer us in our current account for this financial year. If it continues into the following financial year the savings account has a balance of £35,501. This is reassuring when looking ahead. In order to not only keep playgroup open but look after the employee's financial stability. There remains the newly opened nursery in very close proximity to Pre-school, so far this has not been any significant competition. However, we cannot disregard the impact it could in future have upon us. The adjacent primary school. North Muskham Primary, often offers F1 spaces. This has been confirmed for 2023. It often impacts our funded numbers during the afternoons, and as a result income. We have re-assurance with our savings we can continue to offer staff hours if our numbers do fluctuate. Necessary for the stability of Playgroup. We will continue this year to scrupulously look at finances and react accordingly.