

OUGHTRINGTON PRE-SCHOOL

YEAR END ACCOUNTS

AND FINANCIAL SUMMARY

2023-2024

Oughtrington Community Centre

Oughtrington Crescent

Lymm

Cheshire

WA13 9JD

Registered Charity Number: 1038655

Oughtrington Pre-School
Financial Summary
for the Year Ended 31st August 2024

Overview

During this period, Oughtrington Pre-School experienced a financial loss of £6485. Despite several fee adjustments and funding increases, the overall expenses exceeded the income.

Settings across the early years sector are facing significant challenges such as the rising costs of essential supplies and services, insufficient funding and recruitment and retention.

Capacity and Enrollment:

- ♦ **Sessions:** Pre-School was open for ten sessions across all terms, but only operated at 57% capacity compared to 70% last year. Less than 60% of children accessed sessions outside of their funded hours.
- ♦ **Enrollment:** Pre-School started the year with 20 children on roll versus 25 last year. They took on 6 additional children during Spring and Summer compared to 13 last year. 2 children left the setting during the year. The number of Pre-School aged children in the area continues to be low, and working parents are looking for settings that provide wrap around care and holiday clubs.

Income

Despite fewer children attending, revenue from core fees was £1700 higher than the previous year. The 2 main reasons for this are:

- ♦ **Pre-School Fees:** Increased from £5.50 to £6.00 per hour in January.
- ♦ **Breakfast Club:** A Breakfast Club has been introduced for children aged 2-8 years old attending Pre-School and Oughtrington Primary School. It is priced at £6.00 a day and is open from 07:45, with staff walking the Primary School children to school for 08:50. With 4 regular attendees and others dropping in adhoc, this generated £2300 in income.

Voluntary Enhanced Provision Fee: This increased from £18.50 to £20.00 per term.

Voluntary Consumables Fee: This was introduced in January at 50p per session, to help cover the rising costs of consumables such as nappies, wipes, sun cream, hand wash and hand towels.

Snack Fee: This remained at 50p per session, with an option for children to bring their own snacks.

Funding from Warrington Borough Council was £11,100 higher this year due to an increase in the funding rate from April and the successful application for SEND funding. This also includes Autumn Forecast of £3890, which is part funding for the 24/25 academic year. The Government's new early years funding initiative means that eligible working parents of 2-year-olds are now able to access 15 hours per week. As a result, Pre-School now has more 2-year-olds on role which are then paid at the higher rate.

Free Early Years Entitlement (FEYE) Rates:

- ♦ **For 3 and 4-year-olds:** Increased from £4.92 to £5.26 per hour in September, and further to £5.50 per hour in April.
- ♦ **For 2-year-olds:** Increased from £5.31 to £7.16 per hour in September, and further to £7.53 per hour in April.

Disability Access Funding (DAF) and Inclusion Funding:

- ♦ Awarded to support children with additional needs.
- ♦ Totaled £9000.

DfE Grant: The Supervisor completed her term with the DfE's COVID recovery programme as a mentor to support settings significantly affected by COVID-19. Preschool claimed a grant of £2125 from the DfE for her work during the 2023 Spring, Summer and Autumn Terms.

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Fundraising: Despite having no official fundraising team, a profit of £1007 was raised. The highlight was the Pre-School's 50th Birthday Celebration, which raised £177. Christmas fundraising activities continue to be profitable and raised nearly £300.

Expenditure

Staff Salaries: Wages were £9,000 higher than the previous year due to the National Living Wage increase of £1.02 per hour and subsequent salary reviews.

Rent: Rent payments were higher than last year due to back charges of £1,710 issued by the new Committee of the Community Centre in which Pre-School is based. Rent will increase from £5,700 to £10,500 per year from September. Alternative premises or a joint venture with the local primary school should be investigated to manage this significant increase.

Utilities: Despite an increase of £9 per month, BT costs were £643 less this year due to a change in contract and no repair or upgrade costs.

Maintenance and Repairs: an unexpected cost of £4,397 was spent on resurfacing the outdoor play area, which had lost its integrity and become slippery.

Training Costs: A total of £1,051 was spent on training, with £500 spent on Attention Autism training (covered by SEND funding) and £405 spent on First Aid training.

Main Equipment Purchases:

- ◆ 2 privacy screens for the outdoor play area, to replace those damaged by extreme weather conditions over Winter: £364.
- ◆ 2 Galaxy Tablets for the Tapestry Childhood Education Platform: £237.
- ◆ A dehumidifier to combat mold in the storeroom: £149.
- ◆ ~£1000 less spent on toys and games, furniture and SEND resources, as these were replenished last year.

Marketing Costs: To increase Pre-School's presence within the local and wider community, the following was spent on marketing:

- ◆ Full page advert in the local May Queen program of events: £100.
- ◆ Purchase of a Super Duck in the local Round Table Duck Race, with social media advertising: £75.

Payroll Outsourcing: Following the resignation of the Bookkeeper in July, payroll has been outsourced to the Early Years Alliance for the 2024/25 Year. Annual cost: £286. *{N.B. Insurance and EYA Membership is included in the total cost of £1,136}*

Tapestry Subscription: £286 annual cost for subscribing to Tapestry, a Childhood Education Platform. This has tools to help run the setting efficiently and to improve communication between families and staff.

Debt Recovery Fees: Pre-School policy now dictates that unpaid fees will be followed up through a debt recovery company. Pre-School paid Beaumont Recoveries £381 to recover unpaid fees this year. However, this has proven to be an effective form of debt recovery.

Future Plans (Effective September 2024)

- ◆ **Operational Hours:** With an increase of 30 minutes to operational hours, Pre-School is now open from 08:30 – 15:30.

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- ♦ **Pre-School Fees:** To remain at £6.00 per hour and be reviewed on a regular basis. Additional sessions to be charged at £7.00 per hour.
- ♦ **Breakfast Club Fee:** To remain at £6.00 per day, with focus on attracting more attendees.
- ♦ **Voluntary Enhanced Provision Fee:** To be charged at £18.50 per term, or £2.00 per activity for children that wish to be included ad hoc.
- ♦ **Consumables Fee:** This will become compulsory and cover the costs of snacks, nappies, wipes, nappy bags, sun cream, handwash, medication, hand towels and use of spare clothing. To be charged at £1.50 per session.
- ♦ **Hot Meal Option:** The introduction of a chargeable hot meal option at lunch time will be considered.
- ♦ **Holiday Club:** Pre-School plan to trial holiday club days with a view to extending provision during school holidays. This is to meet the demand of working parents.
- ♦ **Invoicing:** Change from termly to monthly invoicing to encourage better revenue flow.

Committee and Governance

The Pre-School is managed by a voluntary Committee of parents. Over the last 7 years, there has been a demographic shift in Lymm Village. Previously, Parents worked part-time or stayed at home and could dedicate spare time to sitting on the Committee. Nowadays, parents are working full-time and do not have the spare time to dedicate to Pre-School. With the resignation of both the Supervisor and Bookkeeper at the end of this year, it is more important than ever that Committee roles are fulfilled by people with the experience and determination to drive the business forward and fully support the remaining team of staff.

To address these challenges, the following options should be considered:

- ♦ **Changing to a Charitable Incorporated Organisation (CIO):** This could provide a more sustainable governance structure and potentially attract more funding.
- ♦ **Joint Venture with the Local Primary Multi-Academy Trust (MAT):** This could provide additional resources and support, as other settings in the area have successfully done.
- ♦ **Enlist business support from the Local Authority or Pre-School Learning Alliance:** This could provide resources and guidance, networking opportunities, access to funding and grants, training and professional development and advocacy and representation.

Cash Surplus

Cash surplus carried forward amounts to £ 70K, of which £47K has been earmarked for provisions, leaving an uncommitted balance carried forward of £23K.

Bank Accounts

The majority of funds currently sit within a single bank account. £445 is held in a dormant NatWest account. This year Pre-School opened a Sum Up account, with a view to it being used as a petty cash account. This comes with its own debit card which can be preloaded and used by staff for purchasing refreshments, sundries and online goods. This will reduce cash transactions within the business, which reduces human error and gives more visibility to the Bookkeeper. This account includes a card reader, which can be used at fundraising events and enables Pre-School staff to take fee payments on site.

Conclusion

The financial loss of £6,485, along with a cumulative loss of £19,000 over the past three years, highlights the need for continued monitoring and potential further adjustments to ensure the sustainability of Oughtrington Pre-School. The management team will continue to explore additional funding opportunities, cost-saving measures, and potential collaborations to improve the financial health of the Pre-School and absorb the rent increase. Additionally, the upcoming increase in the National Living Wage, which is expected to fall in the range of £11.61-£12.18 per hour, will necessitate another review of staff salaries to ensure compliance and fairness.

Oughttrington Preschool
Income and Expenditure Account
for the Year Ended 31st August 2024

Income and Expenditure

Income	2024	2023	Expenditure	2024	2023
	£	£		£	£
Grants - WBC	81,938	70,833	Staff Costs	97,307	88,155
Grants - DfE Experts & Mentors Programme	2,125	3,250	Rent	7,410	3,990
Grants - Milk	745	983	Early Years Alliance	1,136	840
Fees	25,542	23,835	Refreshments and Milk	1,610	1,666
Snacks	2,060	2,187	Trips and Sponsorships	30	68
Consumables	1,025	-	Expendables	1,068	936
Voluntary Enhancement Fee	970	1,044	Stationary	135	83
Sale of Childrens Uniform	155	147	Sundries	1,332	1,136
			Computer Goods	1,138	874
			Cleaning	184	220
			Staff Training	1,051	420
			Phone / Broadband	1,172	1,815
			Registration	50	50
			DBS Checks	78	338
			Accountant	1,200	1,200
			Beaumont Recoveries	381	-
			Sum Up Fees	5	-
			Marketing and Sponsorship	194	-
Core Activities	114,559	102,280		115,481	101,791
Fund Raising	1,363	1,027	Fund Raising	503	85
Donations	146	200	Equipment and Books	1,717	2,390
			Refurbishment / Garden	4,852	522
Total	116,068	103,507		122,553	104,788
B/F Cash	76,936	78,217	C/F Cash	70,451	76,936
	<u>193,003</u>	<u>181,724</u>		<u>193,003</u>	<u>181,724</u>

Analysis of surplus	2024	2023
	£	£
Santander Current Account	69,706	76,426
NatWest Current Account	445	445
Sum Up Account	200	-
Petty Cash	99	64
Total	<u>70,451</u>	<u>76,936</u>

Notes:

1. Some rounding differences occur

Auditor's Report

I have examined the above accounts with the books and vouchers supplied to me.

To the best of my information and knowledge, these accounts show a true and fair view of the state of affairs as at 31st August 2024.

SIGNED:

P. Wareham

<p style="text-align: center;">PS Accountants 5A Church Road Lymm WA13 0QG</p>

Oughtrington Pre-School
Income and Expenditure Account
for the Year Ended 31st August 2024

Bank Reconciliation	£
Balance per Santander A/C statement	69,706
Balance per NatWest Current A/C statement	445
Balance per Sum Up Account statement	200
Balance in Petty Cash	99
Total	<u>70,451</u>

Add unpresented credits:

Value
£
-
-
-
-
-

Less unpresented cheques:

Cheque No.	Value
	£
	-
	-
	-
	-
	-

As per accounts:	<u>70,451</u>
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**Oughtrington Pre-School
Income and Expenditure Account
for the Year Ended 31st August 2024**

Creditors

There were no creditors

Debtors

There were no debtors

Provision

A provision of £30,000 is made for any future redundancies

A provision of £10,000 is made for Pre-School improvements

A provision of £7000 is made for one-on-one care

These provisions are held within the Santander current account as part of the cash carried forward balance in the income and expenditure account.

Stock

No material stock was held

Oughttrington Pre-School
Income and Expenditure Account
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Analysis of Sundries

		£
Health & Safety	£	308
Office Supplies	£	241
Childrens Uniform	£	240
Building	£	188
Committee Gifts	£	144
Ancillary Craft Items	£	94
New Starter, Leavers & Christmas Gifts	£	61
Ancillary Kitchen Items	£	49
Batteries	£	7
		<u>1332</u>

Analysis of Fund Raising

	Income £	Expenditure £
Summer Fundraising (incl. 50th Birthday Party)	539	362
Christmas Fundraising	410	112
Easter Fundraising	160	29
Easy Fundraising	129	
Sponsored Wellie Walk	83	
Misc Fundraising	44	
	<u>1,363</u>	<u>503</u>

Analysis of Donations

	Income £	Expenditure £
Just Giving	146	
	<u>146</u>	<u>0</u>

Analysis of Equipment Bought

	£
Electrical	524
Art & Craft	373
Outdoor	348
Furniture	190
Toys & Games	164
Education	31
Staff Uniform	31
SEND	22
Role Play	19
Misc	12
Christmas	3
	<u>1,717</u>

Oughtrington Pre-School
Income and Expenditure Account
for the Year Ended 31st August 2024

Independent Examiner's Report to the Trustees of Oughtrington Pre-School

I report on the accounts of the Trust for the year ended 31st August 2024, which are set out on pages 1 - 6.

Respective Responsibilities of the Trustees and the Examiner

As the charity's trustees you are responsible for the preparation of the accounts; you consider that the audit requirement of section 43(2) of the Charities Act 1993 (the Act) does not apply. It is my responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commissioners under Section 43(7)(b) of the Act, 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 Commissioners. 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 a consideration of any unusual items and disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all evidence that would be required in an audit, and consequently I do not express an audit opinion on the view given by the accounts.

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 41 of the Act; and

- to prepare accounts in accordance with the accounting records and to comply with the accounting requirements of the 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.

Signed: 

Name: Paul Wareham

Date: 19/11/2024

Relevant professional qualification or body: ACCA

Address: PS Accountants
5A Church Rd
Lymm
Cheshire
WA13 0QG