



BestAccountancy

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12 July 2024

The Trustees

Royal Naval Pre-School Learning Organisation (Western Area)

Independent Examination for the year ended 30 April 2024

1. The fund has been examined for the year ended 30 Apr 2024 and accounts prepared. A draft Trustees Annual Report (TAR) is also enclosed, although the activities section still requires completion.
2. Once agreed by the trustees, PDF versions of the accounts and TAR can be provided by Best Accountancy which can then be uploaded to the Charity Commission website at the same time as the annual return is completed. There is no requirement to upload this report. Reports and accounts on the Charity Commission website are, of course, available for parents and the public at large to peruse.

Accounts

3. The account presented are accurate and supported by a comprehensive range of documentation both physical and virtual. Cash is not held.
4. The RNSPLO received local authority initial funding from PCC and CCC for the Summer Term in April 2024, this has been determined to include two weeks of the Summer Term within the reported on financial year with the remainder of the initial funding being treated as a deferred income for the following year.

Investment and Deposits

5. The investment held in a CCLA Charities Ethical Investment was worth £100.7K having gained £7.2k (7.1%) in market value over the year. It had earned £2.1K in dividends (2.1%).
6. The trustees have not added to this investment throughout the financial year to April 2024 and we are unaware of any wishes to add to it in the future, at this point. However, as the General Account has not been below £125K throughout this financial year it may be beneficial for some of this amount to be transferred into the Investments in the next financial year to take advantage of the higher returns.

Income

7. Local authority funding has increased by 22% to £310.7K.
8. Income from parents has increased by 1.7% to £212K.
9. Amounts received for Hot Meals in the Plympton, Radford, Goosewell and Widewell settings for the year was £4.4K however there was a small loss of £450 overall.



Directors: Mr John Best, Mrs Angela Best
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Company Number: 06577963
Unit 103, The Apex, Derriford Business Park,
Brest Road, Plymouth, PL6 5FL



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Expenditure

10. Wages and associated costs increased in year by 9.8% to £380K. This includes the Redundance Payout of £2K to the previous in-house finance team member.
11. There is also an increase in Agency Fees of 18.9% to £9K.

Funds

12. The PSLO fund was made up of four sub funds:
 - a. The General Fund was worth £ 206.4K.
 - b. The Foundation Degree Fund is a restricted fund and was worth £292. There has been no movement on this fund in the financial year to April 2024.
 - c. The Groups' Fund (formerly Entertainments Fund) held £745. There has been no movement on this fund in the financial year to April 2024. This is a designated fund as the money belongs to the RNSPLO, but as it was achieved through fund-raising activities it must be ring-fenced for the purpose that it was raised for.
 - d. The Healthy Eating Fund. This is a designated fund as it is ring fenced for the garden project. It held £1K at year end. As a designated fund, the trustees can, if they wish, decide to absorb it into the main fund.

Summary

13. The fund was worth £206.7K having made an operating gain of £3.4K plus a further gain on investments of £7.2K. Banked assets of £184.8K easily covered liabilities of £85.6K with a further £100.7K held in the investment.



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ROYAL NAVAL PRE-SCHOOL LEARNING ORGANISATION (WESTERN AREA)

TRUSTEES ANNUAL REPORT

Charity Registration no.:	1040329
Covering the Accounting Year:	1 May 2023 to 30 April 2024
Address:	1 Tiverton Close Widewell Plymouth PL6 7EN
Governing Document:	Constitution (adopted as on 7 June 1994 as amended on 26 February 2006)
Objective:	To advance the development and education of preschool children and in furtherance of this objective. To provide a safe, healthy, happy and stimulating environment to engender the development of children through play; To treat all children in a positive way and respect them as unique individuals and allow them to develop at their own pace; To encourage parental involvement whenever possible, while leaving the choice to the individual adult; To provide a range of topics and activities to promote the development of each child's individual need through a planned curriculum for the foundation stage.
Trustees:	Mr R Talbot (Chair) Mrs W Rees Mr J Reid Mr S Moulton Trustees are selected by recommendation from existing trustees, interview, and instruction and then proposed at the next Trustees meeting.
Bankers:	National Westminster Bank 14 Old Town Street St Budeaux Plymouth PL1 1DG
Independent Examiner:	John Best MAAT Best Accountancy Services (Plymouth) Ltd Unit 103, The Apex Derriford Business Park Plymouth PL6 5FL

The Activities of the Charity

Financial Review

The fund was worth £206.7K having made an operating gain of £3.4K plus a further gain on investments of £7.2K. Banked assets of £184.8K easily covered liabilities of £85.6K with a further £100.7K held in the investment.

Investment Selection Policy

The Trustees had placed £100K in the CCLA Charities Ethical Investment Fund to earn income and benefit from market growth, although £50K was withdrawn in Feb 18 to help cash flow. The remaining units had reached a market value of £100.7K in Apr 24, albeit after losing a little of their value over the year. Dividend income was £2.1K.

Reserves Policy

The Trustees have considered the level of reserves they wish to retain appropriate to the charity's needs and these are held in the investment. These needs include future building projects. The trustees aim to ensure that the charity will be able to continue to fulfil its charitable objectives even if there is a temporary shortfall in income e.g., adverse demographics in the area, unexpected expenditure or a pandemic. Reserves are generated by parental paid fees, as opposed to Government funding, which may only be utilised in accordance with Ofsted regulations.

Risk Assessment

The Trustees actively review the major risks that the charity faces on a regular basis. The major risk would be a radical change of policy by the Ministry of Defence. This has been assessed and is covered by the Service Level Agreement between the charity and the Ministry of Defence. Other risks centre on the change in numbers of children in the area and competition from other preschool facilities, some government funded, in the area. The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to lessen these risks. Low level welfare statistics are recorded and procedures are in place to record health and safety, safeguarding and risk factors.

Public Benefit Statement

This fund provides public benefit by advancement of the education of pre-school children. I confirm that I have paid due regard to the Charity Commission of England and Wales's guidance on public benefit when deciding what activities the charity should undertake.

Declaration

I declare in my capacity of charity trustee, that

- The trustees have approved the report above; and
- Have authorised me to sign it on their behalf.



Trustee

9/9/2024

RN PRE-SCHOOL LEARNING ORGANISATION (WESTERN AREA)
BALANCE SHEET at 30 April 2024

<u>Fixed Assets</u>	<u>Note</u>	<u>2024</u>	<u>2023</u>
Computer Equipment	£	1,745.00	£ 2,990.00
Kitchen Appliances	£	222.46	£ -
Investment	£	100,687.85	£ 93,524.03
		<u>£ 102,655.31</u>	<u>£ 96,514.03</u>
<u>Current Assets</u>			
Debtors	£	6,497.96	£ 2,368.00
Bank Account	£	184,841.31	£ 197,179.08
	£	191,339.27	£ 199,547.08
<u>Liabilities</u>			
Creditors	£	85,558.04	£ 99,421.42
Net Current Assets		<u>£ 105,781.23</u>	<u>£ 100,125.66</u>
Total Assets		<u><u>£ 208,436.54</u></u>	<u><u>£ 196,639.69</u></u>
Represented by:			
General Fund	£	206,412.49	£ 194,615.64
Foundation Degree (Restricted Fund)	£	291.75	£ 291.75
Healthy Eating Fund (Designated)	£	987.08	£ 987.08
Groups (Designated Fund)	£	745.22	£ 745.22
	£	<u>208,436.54</u>	<u>£ 196,639.69</u>

RN PRE-SCHOOL LEARNING ORGANISATION (WESTERN AREA)
STATEMENT OF FINANCIAL ACTIVITIES at 30 April 2024

<u>Income</u>	<u>Note</u>	<u>Unrestricted Funds</u>	<u>Restricted Funds</u>	<u>Totals</u>	<u>Totals</u> <u>Year to Apr 23</u>
Grants		£ 310,735.33	£ -	£ 310,735.33	£ 241,763.95
Charitable Activities		£ 217,123.16	£ -	£ 217,123.16	£ 218,799.47
Investment Income		£ 2,125.31	£ -	£ 2,125.31	£ 2,875.31
Total Income		£ 529,983.80	£ -	£ 529,983.80	£ 463,438.73
<u>Expenditure</u>					
Raising Funds		£ 26.19	£ -	£ 26.19	£ 917.10
Charitable Activities		£ 526,546.44	£ -	£ 526,546.44	£ 493,403.56
Total Expenditure		£ 526,572.63	£ -	£ 526,572.63	£ 494,320.66
Net Operating Profit/Loss		£ 3,411.17	£ -	£ 3,411.17	-£ 30,881.93
Gains/Losses on Investments		£ 7,163.10	£ -	£ 7,163.10	-£ 2,029.29
Net Expenditure		£ 10,574.27	£ -	£ 10,574.27	-£ 32,911.22
Total Funds Brought Forward		£ 195,838.22	£ 291.75	£ 196,129.97	£ 229,550.91
Total Funds Carried Forward		£ 206,412.49	£ 291.75	£ 206,704.24	£ 196,639.69

Note 1 - Accounting Policies

The financial statements are prepared under the historic cost convention (as modified by the revaluation of fixed asset investments) and in accordance with applicable accounting standards:
Charities Statement of Recommended Practice effective 2019 and the provisions of the Charities Acts. Significant policies adopted are:

Incoming Resources

Donations are included in the Statement of Financial Activities (SOFA) when the fund becomes entitled to the donation or grant and it is reasonably certain that it will be received.

Incoming resources from fundraising are reported gross in the SOFA

Intangible income is not included in the accounts

The fund receives no unpaid volunteer help, although staff members may occasionally work without pay when trialling new schemes

Expenditure and Liabilities are recognised as soon as there is a legal or constructive obligation committing the fund to the expenditure

Assets - Tangible assets are capitalised if they can be used for more than one year and cost at least £150. They are valued at cost or a reasonable value on receipt. The fund does not have a policy of revaluation.

Depreciation is annually, straight line and over the estimated life of the item

RN PRE-SCHOOL LEARNING ORGANISATION (WESTERN AREA)

Note 6 - Tangible Fixed Assets

Computer Equipment at 30 Apr 23	£ 4,235.00	Kitchen Appliances at 30 Apr 23	£ 444.93
Depreciation	-£ 2,490.00	Depreciation	-£ 222.47
Computer Equipment at 30 Apr 24	<u>£ 1,745.00</u>	Kitchen Appliances at 30 Apr 24	<u>£ 222.46</u>

Note 6A - Intangible Assets

The office and pre-school venues are provided by the Ministry of Defence in exchange for providing the pre-school service to the naval community

Note 7 - Paid Employees

The Charity has paid employees, Numbers reduced and ended at 28 at year end. All were employed directly on the charity's objectives. None were paid in excess of £60,000 in this year or last.
Staff wage costs were £427,625 (previous year £418,563)
Employer's National Insurance costs were £17,162 (previous year £15,868)

Note 8 - Trustee and Other Related Parties

No expenses or enoluments have been paid to the Trustees
There were no amounts due to or from the Trustees

Note 9 - Debtors and Prepayments

Prepayment Card	£ 449.14
Prepayments	<u>£ 6,048.82</u>
	<u>£ 6,497.96</u>

Note 10 - Creditors and Accruals

Trade Creditors	£ 908.55
Credit Card	£ 31.90
Pensions Payable	£ 1,871.44
PAYE Payable	£ 3,802.27
Deferred Income	<u>£ 78,347.48</u>
Accruals	<u>£ 596.40</u>
	<u>£ 85,558.04</u>

RN PRE-SCHOOL LEARNING ORGANISATION (WESTERN AREA)

Note 4 - Expenditure

2024

2023

Raising Funds

Publicity	£	26.19	£	917.10
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Charitable Activities

Operating Costs:

Wages & National Insurance	£	373,216.13	£	337,706.01
Pensions	£	6,914.65	£	5,065.16
Agency Staff	£	9,104.36	£	7,385.59
Registration & Subscriptions	£	4,849.02	£	10,147.24
DBS Checks	£	323.20	£	597.20
Water	£	1,845.30	£	1,773.58
Hot Meal Catering	£	6,559.12	£	9,271.88
Domestic	£	2,988.43	£	2,369.37
Towels, Gloves etc	£	236.97	£	4,981.87
Waste Bins	£	1,196.75	£	650.79
Equipment	£	378.95	£	2,232.68
Repairs & Renewals, Grasscutting	£	2,625.19	£	3,531.15
Healthy Eating Project			£	24.50
Goosewell School (Rent & Rates)	£	3,445.53	£	1,409.95
Storage	£	633.22	£	-
Insurance	£	2,130.82	£	2,074.74
Entertainment (Groups Fund)	-£	183.00	£	103.82
Grant Funded Expenditure	£	2,015.28	£	1,346.71
DAF Costs			£	-
Training	£	892.00		
Classroom Resources	£	5,574.12	£	-
Misc Expenses	£	1,671.22	£	540.34

Governance Costs:

Independent Examination Fees & Accountancy	£	6,578.40	£	650.00
Professional Advice	£	1,404.00	£	-

Support Costs:

Administration Wages	£	71,570.46	£	67,000.70
Pensions	£	1,342.90	£	1,266.70
Redundancy Package			£	13,857.02
Sage/Software	£	3,390.00	£	4,158.84
Print, Post, Stationery	£	2,226.11	£	3,556.29
Travelling Expenses	£	1,586.83	£	1,435.96
Telephone/Internet	£	9,660.47	£	6,864.31
Uniform	£	260.24	£	655.72
Bank Charges	£	642.30	£	168.20
Gifts & Flowers			£	280.22
Depreciation	£	1,467.47	£	1,245.00

RN PRE-SCHOOL LEARNING ORGANISATION (WESTERN AREA)

Note 2 - Investments

CCLA Charities Ethical Investment	£ 93,524.03	at 30 Apr 23
Gain/loss in Market Value	£ 7,163.10	
	<u>£ 100,687.13</u>	at 30 Apr 24

Unrestricted Funds

Note 3 - Income

	<u>2024</u>	<u>2023</u>
Grants:		
Early Year Grants	£ 309,685.33	£ 241,563.95
Training Grants		£ -
Other Grants	<u>£ 1,050.00</u>	<u>£ 200.00</u>
	£ 310,735.33	£ 241,763.95
Charitable Activities:		
Playgroup Fees	£ 212,240.96	£ 208,530.86
Hot Meals	£ 4,382.20	£ 9,801.16
Entertainment (Groups Funds)		£ 207.95
Uniform Contributions		£ 259.50
Donations	<u>£ 500.00</u>	
	£ 217,123.16	£ 218,799.47
Investment Income:		
Dividends	<u>£ 2,125.31</u>	<u>£ 2,875.31</u>
Total Income	£ 529,983.80	£ 463,438.73