

# Shoreham Village



## Pre-School

### **Chair's Report 2023/24**

**28<sup>th</sup> February 2025**

#### **Introduction**

At Shoreham Village Pre-School, we pride ourselves in providing a happy, secure yet stimulating environment for your children. Our location within the school ground and in the village community mean we are able to access fantastic resources such as Speller's Wood where we provide our "fun in the woods" sessions and the children become involved with all sorts of aspects of village life like the Village Fete.

We would, as always, like to thank the amazing team, from Mrs Michelle, who puts her heart and soul into the Pre-School, superbly supported by her team, Ms Helen and Miss Chelsey. Our children love them, remember them and learn so much in their early years within their care.

As a charity we continue to rely on the generosity of time and efforts from a wide range of volunteers, including the Pre-School Committee. My thanks go out to the Pre-School Committee members and all those parents, carers and community members, who have given their time to fix things, donate things, and do things to support the Pre-School. Thank you.

#### **Highlights of the year 2023-24**

This has been one of the busiest and increasingly challenging years for the Pre-School since I have taken on the role of Chair. Busy and brilliant in that we partnered with Shoreham Village Primary School to put on the first Shoreham Village Summer Fete in several years. It was such a great success, with hundreds of families from in and around Shoreham coming on the day. So many people volunteered their time, made contributions for the games and stalls, and came and spent their pennies to support us. Thank you again.

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It has been challenging simply due to the increasing pressures on finances. The inflationary increases have hit everyone, included our Pre-School and put an increased level of pressure on our funding. This is being felt in all settings, but we are aware that the scale of our setting exacerbates the impact. Therefore, fundraising efforts are all the more important to help us in the day to day running of the Pre-School as well as extraordinary expenses such as repairs and purchase of new equipment. The funds from the summer fair were essential in enabling us to do some essential repairs which included the outside decking, (and officially in the 2024-25 academic year), the kitchen, bathroom areas and managing pest control effectively.

Our fundraising has been essential to fund these and other day-to-day costs.

Key highlights:

- The total received by Pre-School from the Summer Fete was £3,061.
- There was the annual Halloween trail around the village. This is enjoyed by Pre-School and older siblings alike and raised £47
- The team at Pre-School ran at Christmas Fair in 2023 and a raffle at the summer leavers party.

### **Financial overview**

You can find detailed information in the Treasurer's report. Key figures in summary:

- Fixed assets - £ 3,860
- Cash - £13,572
- Total assets less liabilities - £16,237

### **Key challenges this year**

- **Funding** – With the current funding rates from KCC and lower numbers in sessions, as well as pressure caused by inflation on all costs, we need regular fundraising activities and a team to support the Pre-School. Many settings like ours are also needing to focus on fundraising to support operational costs. It

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is critical that we have the ongoing support from parents and carers as well as the committee to raise funds through great events, as well as look for future opportunities for grants.

- **Lease Renewal** – The building was due a lease renewal in 2020. This was raised by KCC 2023. We negotiated a lease renewal with a small increase to £450/annum. This will increase in line with RPI % increase from Oct 2025. We are still working to finalise the agreement with KCC, with the request to opt for a Tenancy at Will. We are getting advice on the implications and risks of this before committing.

### **Plans for 2024-5**

Looking to the year ahead we discussed the ongoing need to attract children to join Pre-School. The website is being updated and we are working on new leaflets and advertising on Facebook.

There are several fundraising events planned for the year ahead, including another smaller fete in partnership with the Primary School. In addition to this we are looking to secure funding from Shoreham Society as their official partner for the annual Duck Race.

More significant funding opportunities will be sought in order to raise a significant fund for a much needed roof repair. We are looking to get a number of quote to establish the level of funding required for either repair or full replacement.

### **Committee appointments 2024/5**

All vital roles are currently filled and confirmed they were happy to continue in role for the year ahead.

Chair – Sarah Fraser

Treasurer – Dan Chaplin

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Secretary – Rhianna Watts

Committee member – Stephanie Dennehy

**AOB** – none

### **Final words**

It is clearly becoming increasingly challenging to stretch our core funding to support the day-to-day running of the Pre-School. As the funding models continue to change, we will be looking to adapt and find ways to ensure we can continue to offer a sustainable model. The Pre-School continues to be a hugely valued setting for families in the village and beyond, and offers a nurturing setting in preparation for school years. With increased support from parents in their time, local funders and the committee, I am confident we can work towards a new and more sustainable year ahead.

**Sarah Fraser**

Shoreham Village Pre-School Committee Chair

# Executive Summary

## Shoreham Village PreSchool For the year ended 31 August 2024

2024

### Cash

Cash received	70,794.91
Cash spent	75,119.47
Cash surplus (deficit)	(4,324.56)
Closing bank balance	11,358.14

### Profitability

Income	73,159.88
Direct costs	-
Gross profit (loss)	73,159.88
Other income	-
Expenses	77,678.08
Profit (loss)	(4,518.20)

### Balance Sheet

Debtors	2,070.25
Creditors	-
Net assets	16,237.40

### Sales

Number of invoices issued	54.00
Average value of invoices	545.58

### Performance

Gross profit margin (%)	100.00
Net profit margin (%)	(6.18)
Return on investment (p.a.) (%)	(27.83)

### Position

Average debtor days	10.36
Average creditor days	-
Short term cash forecast	2,070.25
Current assets to liabilities	11.35
Term assets to liabilities	-

# Cash Summary

## Shoreham Village PreSchool For the year ended 31 August 2024

	2024	YEARLY AVERAGE (YTD)	VARIANCE	
<b>Income</b>				
Fundraising - Other	3,602.15	997.35	261.17%	↑
Grants and Donations	1,010.25	53.00	1,806.13%	↑
KCC Funding - Extended	-	7,876.11	-100.00%	↓
KCC Funding - EYPP	69.30	-	-	—
KCC Funding - FF2	10,917.49	4,805.67	127.18%	↑
KCC Funding - Universal	28,536.19	33,664.16	-15.23%	↓
Parental Fee Payments	26,029.00	26,021.83	0.03%	↑
Parental Snack Income	2,055.75	1,528.17	34.52%	↑
Uniform Sales	-	195.00	-100.00%	↓
<b>Total Income</b>	<b>72,220.13</b>	<b>75,141.29</b>	<b>-3.89%</b>	
<b>Less Expenses</b>				
Accruals	2,700.42	(1,518.61)	277.82%	↑
Advertising & Marketing	75.00	-	-	—
Audit & Accountancy fees	868.80	842.40	3.13%	↑
Bank Fees	156.52	212.95	-26.50%	↓
Building - Repairs & Maintenance	242.46	-	-	—
Cleaning	870.65	1,721.54	-49.43%	↓
Equipment and consumables	4,881.12	3,776.70	29.24%	↑
Insurance	-	440.54	-100.00%	↓
Interest Paid	(130.20)	(54.07)	-140.80%	↓
Light, Power, Heating	2,216.32	2,947.77	-24.81%	↓
Miscellaneous purchases	165.00	149.78	10.16%	↑
PAYE and NIC Payable	(789.61)	(87.81)	-799.23%	↓
Pensions Costs	1,214.04	991.68	22.42%	↑
Pensions Payable	(289.55)	200.55	-244.38%	↓
Prepayments	(1,329.12)	1,329.12	-200.00%	↓
Rent	400.00	398.54	0.37%	↑
Salaries	62,749.68	58,307.41	7.62%	↑
Snack purchases	808.72	857.14	-5.65%	↓

	2024	YEARLY AVERAGE (YTD)	VARIANCE
Staff Training	655.80	493.00	33.02% ↑
Subscriptions	729.86	452.58	61.27% ↑
Telephone & Internet	348.58	421.32	-17.26% ↓
Wages Payable - Payroll	0.20	(0.20)	200.00% ↑
<b>Total Expenses</b>	<b>76,544.69</b>	<b>71,882.33</b>	<b>6.49%</b>
<b>Surplus (Deficit)</b>	<b>(4,324.56)</b>	<b>3,258.96</b>	<b>-232.70%</b>
<b>Plus Other Cash Movements</b>			
Fixed Assets	-	(1,684.05)	100.00% ↑
<b>Total Other Cash Movements</b>	<b>-</b>	<b>(1,684.05)</b>	<b>100.00%</b>
<b>Net Cash Movement</b>	<b>(4,324.56)</b>	<b>1,574.91</b>	<b>-374.59%</b>
<b>Summary</b>			
Opening Balance	15,682.70	14,107.79	11.16%
Plus Net Cash Movement	(4,324.56)	1,574.91	-374.59% ↓
Cash Balance	11,358.14	15,682.70	-27.58%

# Profit and Loss

## Shoreham Village PreSchool For the year ended 31 August 2024

	2024	YEAR TO DATE
<b>Trading Income</b>		
Fundraising - Other	3,602.15	3,602.15
Grants and Donations	1,010.25	1,010.25
KCC Funding - EYPP	69.30	69.30
KCC Funding - FF2	10,917.49	10,917.49
KCC Funding - Universal	28,536.19	28,536.19
Parental Fee Payments	26,722.00	26,722.00
Parental Snack Income	2,302.50	2,302.50
<b>Total Trading Income</b>	<b>73,159.88</b>	<b>73,159.88</b>
<b>Gross Profit</b>	<b>73,159.88</b>	<b>73,159.88</b>
<b>Operating Expenses</b>		
Advertising & Marketing	75.00	75.00
Audit & Accountancy fees	868.80	868.80
Bank Fees	156.52	156.52
Building - Repairs & Maintenance	242.46	242.46
Cleaning	870.65	870.65
Depreciation Expense	1,425.73	1,425.73
Equipment and consumables	4,881.12	4,881.12
Interest Paid	(130.20)	(130.20)
Light, Power, Heating	2,216.32	2,216.32
Miscellaneous purchases	165.00	165.00
Pensions Costs	1,214.04	1,214.04
Rent	400.00	400.00
Salaries	62,749.68	62,749.68
Snack purchases	808.72	808.72
Staff Training	655.80	655.80
Subscriptions	729.86	729.86
Telephone & Internet	348.58	348.58
<b>Total Operating Expenses</b>	<b>77,678.08</b>	<b>77,678.08</b>
<b>Net Profit</b>	<b>(4,518.20)</b>	<b>(4,518.20)</b>



# Balance Sheet

## Shoreham Village PreSchool

As at 31 August 2024

31 AUG 2024

### Assets

#### Bank

GBP PayPal	140.80
Lloyds - Business Instant	8,403.52
Lloyds - Treasurers account	2,813.82
<b>Total Bank</b>	<b>11,358.14</b>

#### Current Assets

Accounts Receivable	2,070.25
Suspense - Paypal Control a/c	143.94
<b>Total Current Assets</b>	<b>2,214.19</b>

#### Fixed Assets

Equipment - Sizeable Toys	678.91
Fixtures and fittings	6,910.86
Less Accumulated Depreciation on Equipment - Sizeable Toys	(403.91)
Less Accumulated Depreciation on Fixtures and fittings	(4,828.17)
Less Accumulated Depreciation on Office Equipment	(1,857.96)
Less Accumulated Depreciation on Playground fittings	(34,562.17)
Office Equipment	2,279.01
Playground fittings	35,644.00
<b>Total Fixed Assets</b>	<b>3,860.57</b>

<b>Total Assets</b>	<b>17,432.90</b>
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### Liabilities

#### Current Liabilities

Accruals	(384.53)
PAYE and NIC Payable	1,290.48
Pensions Payable	289.55
<b>Total Current Liabilities</b>	<b>1,195.50</b>

<b>Total Liabilities</b>	<b>1,195.50</b>
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<b>Net Assets</b>	<b>16,237.40</b>
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### Equity

Current Year Earnings	(4,518.20)
Retained Earnings	20,755.60
<b>Total Equity</b>	<b>16,237.40</b>

# Shoreham Village Pre-School

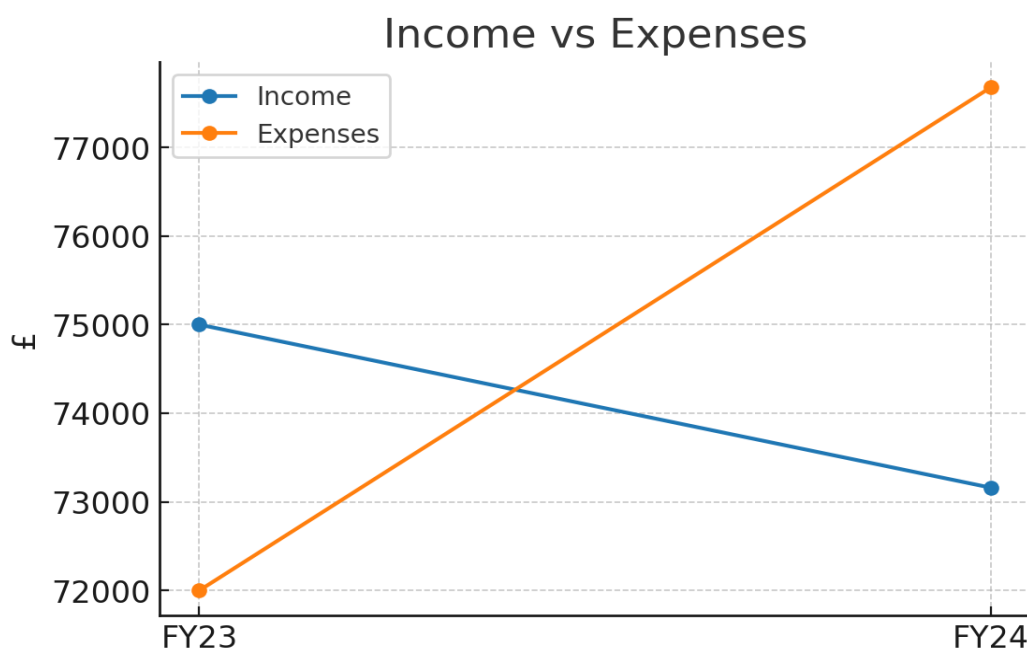
## Trustee Report: FY23–24 Accounts Review (Combined)

### Executive Summary

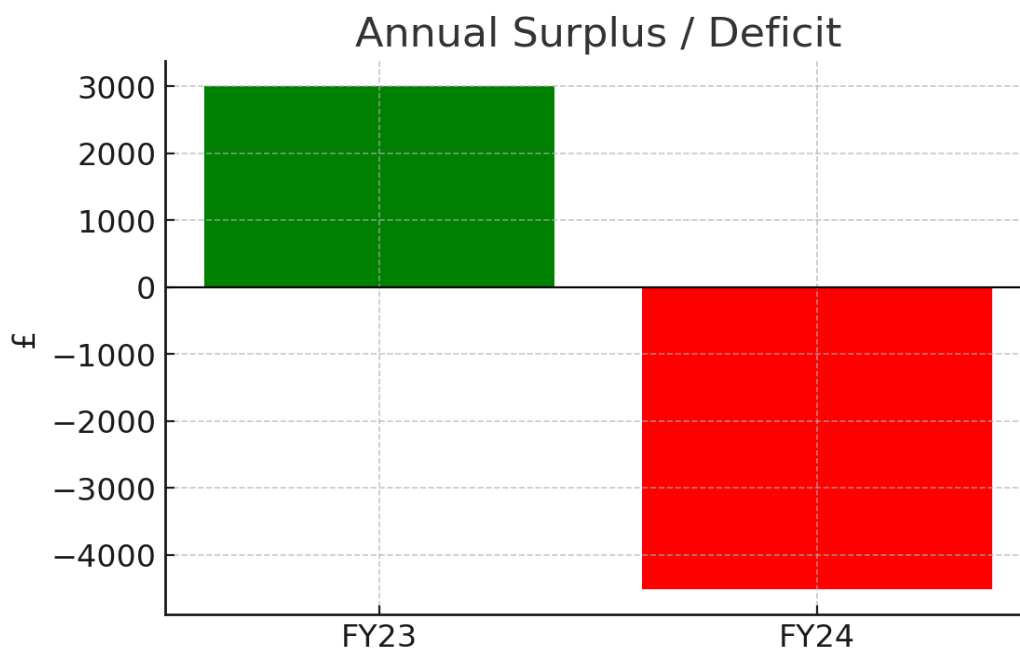
The accounts reconcile correctly with the bank statements. FY24 saw a deficit of £4,518 and a fall in reserves from ~£23k to £16k. The main pressures are rising staffing and energy costs, while income has remained broadly flat.

### Key Messages:

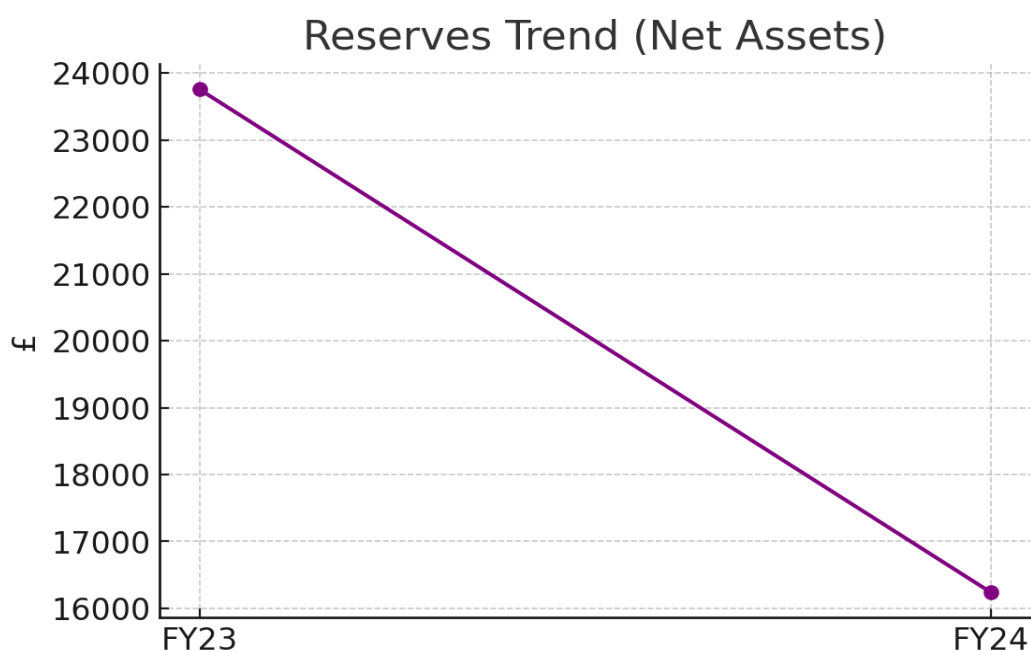
- Verified closing bank balance £11,358.
- Income broadly stable (£73k) but attendance slightly down.
- Expenses up 6% to £77.7k, mainly staffing & energy.
- Staffing costs now 86% of turnover.
- Net deficit: £4.5k, eroding reserves by 30%.



*Income remained broadly flat, but expenses rose 6% in FY24.*



*A small surplus in FY23 shifted to a £4.5k deficit in FY24.*



*Reserves fell 30% year-on-year, reducing the buffer for future losses.*

## 1. Headline Figures (from Accounts vs. Bank Statements)

- Closing Bank Balance verified at £11,358 (matches statements).
- Reported Net Loss: £4,518.20 (Treasurer's forecast: £3,500–£4,000).

## 2. Income Review

- Total income: £73,160 (↓ 3% from £75k FY23).
  - Parental fees: £26,722 (stable; price rises offset lower attendance).
  - KCC Universal Funding: £28,536 (↓15%).
  - Fundraising: £3,602 (strong recovery).
  - Snacks/extras: ~£2k.
- Concern:** Heavy reliance on government funding not keeping pace with inflation.

## 3. Expenditure Review

- Total expenses: £77,678 (↑6% vs FY23).
  - Salaries: £62,750 (86% of turnover, up from 78%).
  - Utilities: £2,216 – significantly higher.
  - Training & Subscriptions: ~£1,385.
  - Cleaning: £870 – lower vs last year.
  - Insurance: £0 – needs verifying.
- Concerns:** Staffing unsustainable, missing insurance, rising energy costs.

## 4. Cash Flow & Balance Sheet

- Cash deficit: £4,325.
- Assets: £17,433 (mostly cash).
- Liabilities: £1,196 (mainly PAYE & pensions).
- Net assets: £16,237 (healthy but falling).
- Cash reserves fell 28% year-on-year.

## 5. Key Risks & Issues

1. Staffing costs 86% of turnover – must raise fees or increase occupancy.
2. Funding shortfall – KCC rates lag inflation.
3. Insurance absence – confirm if prepaid, missed, or miscoded.
4. Ongoing losses – second consecutive deficit risks eroding reserves.
5. Cash position – stable but shrinking (down 28% YoY).

## Recommendations

- Review staff cost structure and session pricing.
- Increase occupancy to spread fixed costs.
- Confirm and monitor insurance expenditure.
- Plan to rebuild reserves to maintain resilience.