



## Chair's Report 2024/25

16<sup>th</sup> October 2025

### Introduction

I am so proud to be part of Shoreham Village Pre-School. This year has been a big one, we have said goodbye to some treasured team members and had the delight of welcoming new ones. We have been recognised as '**outstanding**' by Ofsted again this year, and for the third consecutive Ofsted inspection. And finally, we have watched the older children get ready and excited about starting school, seeing many of them settle in across the playground at Shoreham Village School in September.

This reflects the happy, secure yet stimulating environment Mrs Michelle and the team provide for the children. Our location within the school grounds and in the village community means we are able to access fantastic resources such as Speller's Wood where we provide our "fun in the woods" sessions, and the children can get involved with all sorts of aspects of village life, like the Village Fete and annual Duck Race.

The Pre-School Committee would, as always, like to thank the fantastic team who work so hard, and with so much care, to nurture and support all the children that attend Pre-School. This is particularly pertinent looking back to the 2024-5 school year, as Ms Helen and Miss Chelsey both moved on to new and exciting roles in other childcare settings for the new school year in September 2025. We wish them the very best.

As a charity we continue to rely on the generosity of time and effort from a wide range of volunteers, including the Pre-School Committee. My thanks goes 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.

# Shoreham Village



## Pre-School

### Highlights of the year 2024-25

#### **‘Outstanding’ Ofsted report:**

Well, we knew we were due for an Ofsted inspection this year, but you never know quite when it is coming! The call came in March 2025, and the next day Ofsted inspectors came and spent much of the day with Pre-School talking to the team, checking all the i’s and t’s were dotted and most importantly seeing the children in their Pre-School environment to share their experience throughout the day.

The report, with **‘outstanding’** awarded in every category, reflects the fantastic childcare setting we have here in Shoreham. You can find the full report [here](#) but comments included:

*“The learning environment is very calm, warm and inviting. Children are consistently engaged in a variety of child-led activities for long periods of time. They are very secure in the routines of the day and cooperate fully with key adult-led activities. Staff enable children's independence. Children show a constant eagerness to do things themselves, such as putting on coats and wellington boots.”*

All credit to Mrs Michelle and the team for their care, attention and skill in providing exemplary early years education.

#### **Fundraising:**

Village duck race – May 2025: We applied to Shoreham Society to receive funds from the Duck Race this year. We were successful and received over £1,750 to support repairs.

# Shoreham Village



## Pre-School

Shorefest – 21<sup>st</sup> June: Shoreham Society Following on from last year's successful village summer fete, Pre-School and Shoreham Village School teamed up again this summer to put on another great event. This year the School and Pre-School organised all the stalls and activities, from maypole dancing, to brilliant musical performance. The even raised essential funds, £1,500, for both the School and Pre-School.

We gratefully received further funds from Shoreham Parish Council (£500), a generous and donation from the Walnut Tree Trust (£2,500), and individual contributions over the year that raised £315. Without these funds we would not have been able to maintain the quality of the setting in these challenging financial times. We share out thanks again to every one of these critical donations.

Staff changes – In September we were delighted to welcome Miss Emma to the Pre-School team. As a parent in the village and an experienced childcare professional, we are incredibly lucky to have her. Emma is now a full time deputy Manager working alongside Michelle.

Other highlights:

- Maintenance – during the year we had to replace the kitchen and ensure the building was better protected again mice. A week of closure ensure this was done swiftly and thoroughly and has much improved the facilities.
- Leavers – At the end of academic year, 15 children moved on, ready to start school, many going across the playground to Shoreham Village Primary School.

### **Financial overview**

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

- Fixed assets - £5,750.87
- Cash - £3,927.54

# Shoreham Village



## Pre-School

- Total assets less liabilities - £8,572.81

### 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 still 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 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** – We are currently operating under a lease at will. This is not as secure as we would like but currently ensures the rates remain low. The Committee are getting advice and working on securing a lease for the future.

### Plans for 2025-6

Looking to the year ahead we discussed the ongoing need to attract children to join Pre-School. Numbers are lower and the changes in the government funding means that more children are going to nurseries and staying there until school, rather than using a Pre-School setting such as ours. With a consistent approach to staffing, limiting this to 2 members, and maximising fully funded places, we are confident the year ahead will offer better financial stability.

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.

# Shoreham Village



## Pre-School

### **Committee appointments 2025/6**

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

Secretary – Rhianna Watts

Committee member – a number of parents offered to join and we are working through the Ofsted process and DBS checks.

**AOB** – none

### **Final words**

It remains challenging to stretch our core funding to support the day-to-day running of the Pre-School. However, this has been a year of adaptation, where we have had to find ways to work differently in the changing funding and financial context. 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.

**Sarah Fraser**

Shoreham Village Pre-School Committee Chair

# Executive Summary

## Shoreham Village PreSchool For the year ended 31 August 2025

2025

### Cash

Cash received	84,694.39
Cash spent	92,124.99
Cash surplus (deficit)	(7,430.60)
Closing bank balance	3,927.54

### Profitability

Income	80,550.11
Direct costs	-
Gross profit (loss)	80,550.11
Other income	-
Expenses	88,214.70
Profit (loss)	(7,664.59)

### Balance Sheet

Debtors	1,440.50
Creditors	-
Net assets	8,572.81

### Sales

Number of invoices issued	63.00
Average value of invoices	312.37

### Performance

Gross profit margin (%)	100.00
Net profit margin (%)	(9.52)
Return on investment (p.a.) (%)	(89.41)

### Position

Average debtor days	6.53
Average creditor days	-
Short term cash forecast	1,440.50
Current assets to liabilities	2.05
Term assets to liabilities	-

# Cash Summary

## Shoreham Village PreSchool For the year ended 31 August 2025

2025

### Income

Fundraising - Other	5,921.08
Grants and Donations	4,553.00
KCC Funding - Extended	2,434.40
KCC Funding - EYPP	333.45
KCC Funding - FF2	6,387.75
KCC Funding - Universal	41,119.18
Parental Fee Payments	18,010.02
Parental Snack Income	2,158.98
Uniform Sales	262.00
<b>Total Income</b>	<b>81,179.86</b>

### Less Expenses

Accruals	(1,579.44)
Advertising & Marketing	150.00
Audit & Accountancy fees	910.80
Bank Fees	130.51
Cleaning	1,270.66
Employers National Insurance	893.32
Equipment and consumables	3,895.80
Insurance	180.88
Interest Paid	(22.90)
Light, Power, Heating	902.91
Miscellaneous purchases	99.00
PAYE and NIC Payable	(254.21)
Pensions Costs	1,630.12
Pensions Payable	289.55
Rent	400.00
Salaries	74,104.28
Snack purchases	943.13
Staff Training	462.00
Subscriptions	153.32
Telephone & Internet	430.17
Wages Payable - Payroll	49.56
<b>Total Expenses</b>	<b>85,039.46</b>

<b>Surplus (Deficit)</b>	<b>(3,859.60)</b>
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### Plus Other Cash Movements

Fixed Assets	(3,571.00)
<b>Total Other Cash Movements</b>	<b>(3,571.00)</b>

<b>Net Cash Movement</b>	<b>(7,430.60)</b>
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2025

Summary

Opening Balance	11,358.14
Plus Net Cash Movement	(7,430.60)
Cash Balance	3,927.54



# Profit and Loss

## Shoreham Village PreSchool For the year ended 31 August 2025

2025

### Turnover

Fundraising - Other	5,921.08
Grants and Donations	4,553.00
KCC Funding - Extended	2,434.40
KCC Funding - EYPP	333.45
KCC Funding - FF2	6,387.75
KCC Funding - Universal	41,119.18
Parental Fee Payments	17,581.00
Parental Snack Income	1,958.25
Uniform Sales	262.00
<b>Total Turnover</b>	<b>80,550.11</b>

<b>Gross Profit</b>	<b>80,550.11</b>
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### Administrative Costs

Advertising & Marketing	150.00
Audit & Accountancy fees	910.80
Bank Fees	130.51
Cleaning	1,270.66
Depreciation Expense	1,680.70
Employers National Insurance	893.32
Equipment and consumables	3,895.80
Insurance	180.88
Interest Paid	(22.90)
Light, Power, Heating	902.91
Miscellaneous purchases	99.00
Pensions Costs	1,630.12
Rent	400.00
Salaries	74,104.28
Snack purchases	943.13
Staff Training	462.00
Subscriptions	153.32
Telephone & Internet	430.17
<b>Total Administrative Costs</b>	<b>88,214.70</b>

<b>Operating Profit</b>	<b>(7,664.59)</b>
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<b>Profit on Ordinary Activities Before Taxation</b>	<b>(7,664.59)</b>
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<b>Profit after Taxation</b>	<b>(7,664.59)</b>
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# Balance Sheet

## Shoreham Village PreSchool

As at 31 August 2025

31 AUG 2025

### Fixed Assets

#### Tangible Assets

Equipment - Sizeable Toys	678.91
Fixtures and fittings	8,079.86
Less Accumulated Depreciation on Equipment - Sizeable Toys	(403.91)
Less Accumulated Depreciation on Fixtures and fittings	(5,499.07)
Less Accumulated Depreciation on Office Equipment	(2,116.89)
Less Accumulated Depreciation on Playground fittings	(35,313.04)
Office Equipment	2,279.01
Playground fittings	38,046.00
<b>Total Tangible Assets</b>	<b>5,750.87</b>

<b>Total Fixed Assets</b>	<b>5,750.87</b>
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### Current Assets

#### Cash at bank and in hand

Lloyds - Business Instant	426.42
Lloyds - Treasurers account	3,501.12
<b>Total Cash at bank and in hand</b>	<b>3,927.54</b>

Accounts Receivable	1,440.50
Suspense - Paypal Control a/c	143.94
<b>Total Current Assets</b>	<b>5,511.98</b>

### Creditors: amounts falling due within one year

Accruals	1,194.91
PAYE and NIC Payable	1,544.69
Wages Payable - Payroll	(49.56)
<b>Total Creditors: amounts falling due within one year</b>	<b>2,690.04</b>

<b>Net Current Assets (Liabilities)</b>	<b>2,821.94</b>
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<b>Total Assets less Current Liabilities</b>	<b>8,572.81</b>
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<b>Net Assets</b>	<b>8,572.81</b>
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### Capital and Reserves

Current Year Earnings	(7,664.59)
Retained Earnings	16,237.40
<b>Total Capital and Reserves</b>	<b>8,572.81</b>

# Shoreham Village Pre-School

## Independent Financial Review Summary

### Financial Year 2024–2025

## 1. Executive Summary

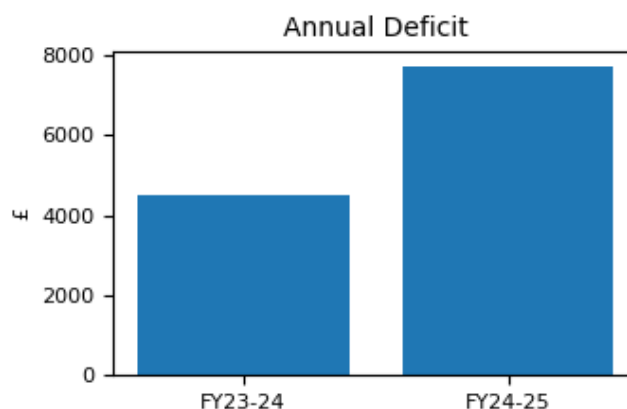
This review was conducted following examination of the FY24–25 accounts, August 2025 bank statements, supplier invoices, reimbursement claims, utility charges, training invoices, insurance documentation, and operational expenditure records relating to Shoreham Village Pre-School. The purpose of the review was to validate whether the headline figures in the accounts appear materially accurate, confirm whether the year-end position reconciles reasonably with supporting bank evidence, review expenditure patterns and governance controls, and identify any areas of concern requiring committee attention. Overall, the records reviewed appear broadly coherent, internally consistent, and operationally explainable. The accounts appear to fairly represent the financial position of the pre-school at year end.

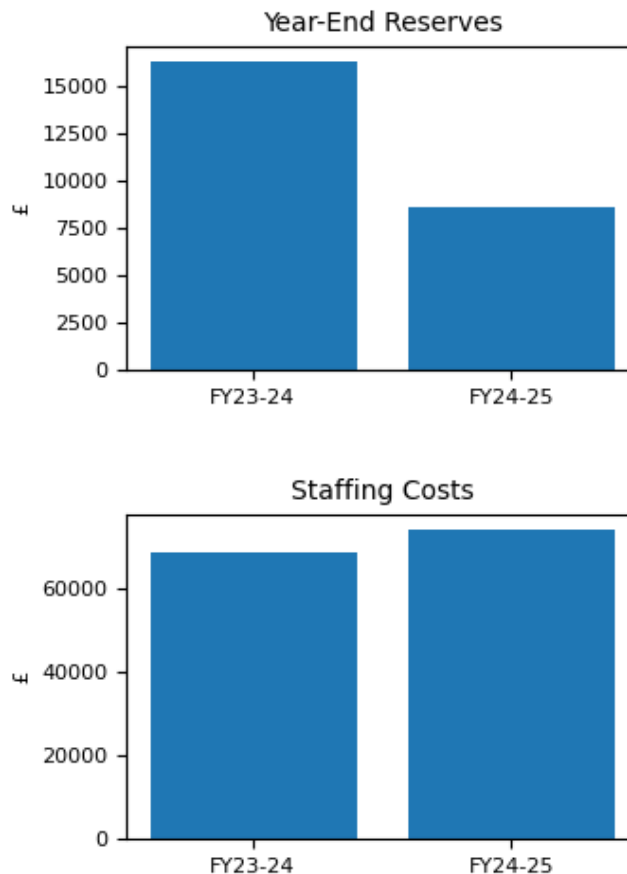
- The FY24–25 deficit increased materially compared with the prior year.
- Reserves reduced significantly during the year due to operational pressure.
- Staffing costs remain very high relative to turnover.
- Exceptional premises expenditure contributed materially to the deficit.
- No evidence of fraudulent or suspicious expenditure was identified.
- Most spending reviewed was operationally supported by invoices or reimbursement documentation.

## 2. Key Financial Comparison

Metric	FY23–24	FY24–25
Annual Deficit	£4,500	£7,700
Year-End Reserves	£16,200	£8,600
Staffing Costs	£69,000	£74,100

## 3. Financial Trend Graphs





#### 4. Accuracy of Year-End Position

The August 2025 bank statement reconciles reasonably with the reported year-end financial position. PayPal transfers reconcile correctly into the current account, savings transfers support the reduction in reserves, and recurring supplier payments correspond with supporting invoices. No material unexplained transfers were identified during the review.

#### 5. Staffing Costs

Staffing remains the largest expenditure category. While no evidence of inappropriate payroll activity was identified, staffing costs appear extremely high relative to turnover and create medium-term sustainability pressure. The committee should consider occupancy assumptions, staffing ratios, succession planning, and future affordability.

#### 6. Premises and Exceptional Costs

The review identified unusually high premises-related expenditure during FY24–25, including decking replacement works, kitchen remediation, pest control activity, mice prevention materials, replacement consumables, and cleaning-related expenditure. These items strongly support the Treasurer’s explanation that FY24–25 was not a normal operational year.

#### 7. Snack and Consumable Spending

A substantial volume of snack and consumable purchases was reviewed. Typical purchases included fruit, milk, biscuits, wipes, cleaning products, toys, educational resources, and seasonal activity materials. The spending pattern appeared operationally normal for an early-years setting and no concerning trend was identified.

## **8. Governance and Controls**

Governance documentation reviewed was generally strong for a volunteer-run preschool. Most expenditure categories were supported by invoices, reimbursement forms, or bank evidence. Reimbursement claims were generally itemised, categorised, and signed, improving transparency and accountability.

## **9. Areas of Concern**

The most significant concerns identified during the review relate to declining reserves, increasing staffing pressure, and heavy dependency on externally controlled premises and utilities. The organisation also relies heavily on staff purchasing items personally and reclaiming costs later, which increases administrative burden and reduces procurement visibility.

## **10. Recommendations**

The committee should consider establishing a formal reserves recovery plan, reviewing staffing sustainability, improving long-term premises planning, and introducing tighter procurement or purchasing arrangements. Future accounts should also distinguish more clearly between exceptional expenditure and normal operational spending.

## **11. Overall Conclusion**

Following review of the supporting documentation, the FY24–25 accounts appear broadly reliable and reasonably representative of the pre-school's financial position. The evidence strongly suggests that the deterioration in finances was driven primarily by operational and premises-related pressures rather than unexplained or suspicious spending. While the preschool appears operationally viable at present, rebuilding reserves and improving long-term financial resilience should now become strategic priorities.