

ST MARY'S PRE-SCHOOL PLAYGROUP

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

Charity number: 1072893

ST MARY'S PRE-SCHOOL PLAYGROUP

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FOR THE YEAR ENDED 31 AUGUST 2020

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ST MARY'S PRE-SCHOOL PLAYGROUP

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees are pleased to present their report, together with the financial statements for the year ended 31 August 2020.

Reference and administration details

Charity name:	St Mary's Pre-School Playgroup	
Charity registration number:	1072893	
Address of Charity:	St Mary's Church Hall 322 Woodbridge Road Ipswich IP4 4BD	
Trustees:	T Underwood	(Chair) (Appointed 23 January 2020)
	E Griggs	(Chair) (Resigned 23 January 2020)
	J Stoggell	(Treasurer) (Appointed 16 March 2020)
	D Connors	(Treasurer) (Resigned 23 January 2020)
	L Underwood	(Secretary) (Appointed 23 January 2020)
	H Challenger	(Secretary) (Resigned 23 January 2020)
	J Smith	(Appointed 23 January 2020)
	L Stygall	(Appointed 23 January 2020)
	L Hakeney	(Appointed 23 January 2020)
	N Kempster	(Resigned 23 January 2020)
	R Clements	(Resigned 23 January 2020)
	V Langley	(Resigned 23 January 2020)
	H Traynor	(Resigned 12 November 2019)
	K Sadler	(Appointed 12 November 2019, Resigned 23 January 2020)
	S Lee-Barrett	(Appointed 12 November 2019, Resigned 23 January 2020)
	D Francis	(Appointed 23 January 2020, Resigned 21 May 2020)
	Kirsty Monk	(Appointed 23 January 2020, Resigned 10 February 2020)
Support team:	P Milstead	(Pre-School Manager appointed 3 September 2020, Resigned 21 January 2020)
	E Jessop	(Deputy Manager and interim Pre-School Manager from 21 January 2020)
	H Stoggell	(Interim Deputy Manager from 21 January 2020)
	E Todd	(Early Years Professional until 20 November 2019)
	G Crookes	(Committee Support Assistant)
	P Crabb	(Administrative Officer then Pre-School Business Manager from 1 July 2020)

ST MARY'S PRE-SCHOOL PLAYGROUP
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2020

Independent examiner:

L Thurston FCCA
Lovewell Blake LLP
First Floor Suite
Unit 2 Hillside Business Park
Bury St Edmunds
IP32 7EA

Objectives and activities

The primary purpose of the Charity is to help children and young people with educational training, by providing pre-school care for children aged two to five years old for eight sessions per week. Each session lasts for three hours and a lunch club is also provided, if required, three days per week.

The Charity aims to enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups.

The Charity raises additional funds from the public to support the activities of the Charity but does not work with commercial participators. The purposes of the Charity are exclusively charitable and the financial statements have been prepared in accordance with the requirements of the Charities Act 2011 ('the Act').

In planning the objectives and activities of the Charity, the Trustees have reviewed the guidance provided by the Charity Commission.

Achievements and performance

It has been a tumultuous year for a number of unexpected reasons including the election of an entirely new committee, a change in playgroup leadership, a reduction in our Ofsted rating and the ongoing Coronavirus pandemic. However, some challenges faced remained constant including a forecast deficit and the race to fill spaces left as children moved onto primary school. Against, this backdrop the pre-school has continued to provide a high-level service to those attending and have managed to turn a projected deficit into a small surplus.

We received full funding during lock down from Suffolk County Council (SCC) which allowed us to continue to pay our staff and not rely on furlough. This allowed us time for completion of mandatory training and to get our records up to-date.

Financial review

For 2019/2020 we had budgeted a deficit of £9,089 due to the cycle of leavers needing to be replaced and the inability of us being able to provide the full 30hrs of childcare currently funded by the government.

Fortunately, we ended the year with a surplus of £8,970. Given the challenging circumstances experienced in this financial year the result is encouraging and provides a stronger foundation for the coming year.

ST MARY'S PRE-SCHOOL PLAYGROUP

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2020

Financial review (continued)

Income was £22,013 above the budgeted figure. Predominately, this emanated from increased funding from SCC, £20,474; the unpredictable nature of uptake in available places can make forecasting the number of children for each session challenging. This was countered somewhat by a reduction in the income expected from parents for lunch club and unfunded hours of £5,072 as a direct result of the pre-school's closure in response to the Coronavirus pandemic. Higher tariff needs funding is never budgeted for and this totaled £5,560. Lastly, we received a training subsidy grant that was partially utilised (we have secured permission to carry the surplus forward into 2020/21).

Expenses were around 4% above budgeted and is an area that needs to be monitored to ensure we adhere to our budget and improve our forecasting in the financial year 2020/21. Overall total staffing costs were around 3% (£2,917) higher than budgeted, largely as a result of additional pension costs. This figure includes the recruitment of two new staff in the spring term. The standout increases in our expenditure were within management costs, an un-budgeted spend of £937 primarily due to HR consultation and there were un-budgeted costs of £1,207 as a result of the coronavirus pandemic. On the plus side rent payable reduced by £1,908 for the period the pre-school was closed during lock-down.

The Trustees consider the year-end financial position to be satisfactory and confirm that the Charity can meet all known obligations.

Structure, governance and management

Governing document

St Mary's Pre-School Playgroup was established on 10 December 1988. Its constitution; the 'Pre-School Learning Alliance Constitution Document January 2016' was registered with the Charity Commission (registration number 1072893) on 29 February 2016.

Appointment and recruitment of Trustees

Trustees are appointed at the Annual General Meeting and the Trustees can co-opt up to 3 further Trustees any time after the AGM. The minimum number of Trustees is 5 and the maximum is 12, together with up to a further 3 co-opted members. The Trustees of the Charity are currently all parents of current children or parents of previous children. The one exception to this is, the current Treasurer who was co-opted in March 2020 due to his background in finance and following the resignation of the previous Treasurer.

Trustees' induction and training

All new Trustees will be provided with a Committee Welcome Pack which includes copies of:

- The Charity's constitution
- The latest accounts of the Charity
- Code of conduct
- Confidentiality agreement

Trustees are encouraged to read Charity Commission guidance notes CC3 - "The Essential Trustee, what you need to know, what you need to do" and PB3 - "Public benefit: Reporting".

In addition, Trustees are encouraged to read Charity Commission and other newsletters and to attend courses designed to keep them abreast of their duties and responsibilities.

ST MARY'S PRE-SCHOOL PLAYGROUP

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2020

Organisational structure

The Trustees administer the Charity and meet regularly throughout the year. During these meetings all charitable matters are discussed including the raising of funds, income structure, ongoing performance and to approve forthcoming charitable expenditure.

The Charity monitors performance against budgeted targets and reports annually at the Annual General Meeting where Trustees' resignation and appointments are made in line with the necessary roles and requirements of the foreseeable future.

Risk management

Management has reviewed the major risks to which the Charity is exposed. Where appropriate, systems or procedures have been established to mitigate these risks. St Mary's Pre-School Playgroup benefits from a diligent and dedicated team of Trustees. Costs are closely monitored to ensure the Charity operates within its means whilst taking into account other key factors including quality of provision. The Charity maintains a separate bank account to cover its reserves, all of which minimise its exposure to risk.

The Charity's internal policies in place to mitigate risk are listed on the Charity's website and summarised below:

- Children's right and entitlements.
- Safeguarding children, young people and vulnerable adults.
- Looked after children.
- Uncollected children.
- Missing child.
- Online safety policy including use of mobile phones and cameras.
- Employment.
- Student placements.
- Induction of employees and volunteers.
- First aid.
- The role of the key person and settling in.
- Staffing.
- Administering medicines.
- Managing children who are sick, infectious or with allergies.
- Recording and reporting accidents and incidents.
- Nappy changing.
- Food and drink.
- Food hygiene.
- Promoting positive behaviour.
- Health and safety general standards.
- Risk assessments.
- Maintaining children's safety and security on premises.
- Supervising children on outings and visits.
- Fire safety and emergency evacuation.
- Animals in the setting.
- Smoking.
- Staff safety including home visits.
- Valuing diversity and promoting inclusion and equality.
- Supporting children with SEND.
- British values.
- Admissions policy.
- Parental involvement.
- Children's records.
- Provider records.
- Transfer of records to school.
- Confidentiality and client access to records.
- Information sharing.
- Working in partnership with other agencies.
- Making a complaint.
- Payment policy.
- Financial reserves policy.
- Trustees expenses policy.
- Conflict of interest policy.

Related party transactions

There were no related party transactions during this or the prior period.

ST MARY'S PRE-SCHOOL PLAYGROUP

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2020

Reserves policy

The Charity's reserves policy is to maintain reserves at a level adequate to protect its ongoing work from significant fluctuations in service income. This policy is reviewed annually. The Charity aims to hold sufficient reserves to cover three months' running costs plus statutory redundancy costs. This value, is set aside in a separate bank account which totals £42,684.86 at the year end. The committee recommend that £2,815.14 be transferred from the year end surplus to top up the reserve account to the required level of £45,500.

At the year end, the Charity has total reserves of £80,733 which £Nil is restricted. The reserves of the Charity are therefore adequate and the Trustees consider that the Charity will continue as a going concern for the foreseeable future. There are no material uncertainties about the Charity's ability to continue.

Plans for future periods

It is the Trustees' intention that the Charity will continue to provide services in line with the objectives and activities as noted in these financial statements.

The charity is focused over the next financial year on a number of key areas aimed at protecting the pre-school's financial stability and improving the quality of provision.

One of the biggest challenges that will be faced in the year 2020/21 is the ongoing Coronavirus pandemic. It is not possible to fully predict the effect the ongoing situation will have on financial stability except to note that there will most certainly be some negative impact across the financial year. This is further exacerbated by the reduced numbers of children attending pre-school both as a direct result of coronavirus and the expected two-year intake cycle. As such, measures have been implemented to reduce expenditure and increase our financial stability. One longer-term focus this year is on developing a detailed business plan and marketing strategy to assist in increasing the uptake of places and further strengthening the charity's financial position.

Another considerable area of focus for the charity in the coming financial year is addressing the reduction in Ofsted rating received in February 2020. Previously rated as Outstanding, the pre-school is currently rated as 'Requires Improvement'. There are a number of key areas requiring action including working to improve the quality of education and leadership of the pre-school. Considerable work to address these issues has already been undertaken throughout, and it is hoped recruitment of a permanent manager will further provide stability and focus as the charity moves forwards into the coming financial year.

Other areas being prioritised in the coming year include finding ways to offer the full 30 hours childcare per week, developing innovative fundraising options in the current financial climate, upskilling staff and committee members and ensuring the ongoing safeguarding of all children and staff within the setting.

Whilst there will be challenges faced throughout the coming financial year, there are also a number of strengths the charity has that will help carry it through even the most difficult of circumstances.

Trustees

The current Trustees are shown on page 1, including those who have served during the year and any appointment and resignation dates as required. The committee that was elected in November 2019 called an Extraordinary General Meeting (EGM) on 23 January 2020. At this meeting all members of the committee stood down as they did not feel they were the right group to lead the pre-school forward. Subsequently, a new, pro-active group of parents volunteered at the EGM to form a new committee.

ST MARY'S PRE-SCHOOL PLAYGROUP

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2020

Public benefit

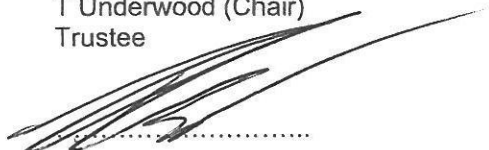
The Trustees have considered the Charity Commission's guidance on public benefit. They confirm that in planning and carrying out the Charity's activities they have had regards to this guidance.

Independent examiner reappointment

A resolution to appoint L Thurston FCCA of Lovewell Blake LLP as independent examiner will be proposed at the next Annual General Meeting.

The Trustees' annual report was approved on 29 APRIL 2021 and signed on behalf of the board of Trustees by:

T Underwood (Chair)
Trustee

A handwritten signature in black ink, appearing to be 'T Underwood', written over a dotted line.


ST MARY'S PRE-SCHOOL PLAYGROUP
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2020

	Unrestricted £	2020 Restricted £	Total £	Unrestricted £	2019 Restricted £	Total £
Receipts:						
Fees received	118,882	-	118,882	148,189	1,914	150,103
Grant income	-	-	-	-	-	-
Fundraising	357	-	357	2,025	-	2,025
Training subsidy	3,296	-	3,296	30	-	30
Interest received	373	-	373	-	-	-
Higher tariff needs	-	5,560	5,560	-	4,285	4,285
Children's uniform	-	-	-	-	-	-
Trips	-	-	-	-	-	-
Other	392	-	392	612	-	612
Total Receipts	<u>123,300</u>	<u>5,560</u>	<u>128,860</u>	<u>150,856</u>	<u>6,199</u>	<u>157,055</u>
Payments:						
Rent	5,086	-	5,086	7,698	-	7,698
Wages	93,487	5,560	99,047	93,020	4,285	97,305
Consumables	3,263	-	3,263	3,000	-	3,000
Management and admin	2,230	-	2,230	1,678	-	1,678
Enrolment and insurance	2,417	-	2,417	1,962	-	1,962
Grant related expenses	-	-	-	-	-	-
Fundraising expenditure	316	-	316	1,705	287	1,992
Trip expenditure	-	-	-	-	-	-
Training expenditure	1,693	-	1,693	1,763	-	1,763
Children uniform	-	-	-	-	-	-
Small equipment	934	-	934	683	330	1,013
Other	3,631	-	3,631	3,342	1,297	4,639
Asset and other costs	1,273	-	1,273	870	-	870
Total Payments	<u>114,330</u>	<u>5,560</u>	<u>119,890</u>	<u>115,721</u>	<u>6,199</u>	<u>121,920</u>
Net receipts/(payments)	<u>8,970</u>	<u>-</u>	<u>8,970</u>	<u>35,135</u>	<u>-</u>	<u>35,135</u>
Transfer to/(from) funds	-	-	-	-	-	-
Surplus/(deficit) for the year	8,970	-	8,970	35,135	-	35,135
Cash and bank balances at 31 August 2019	91,153	-	91,153	56,018	-	56,018
Cash and bank balances at 31 August 2020	<u>100,123</u>	<u>-</u>	<u>100,123</u>	<u>91,153</u>	<u>-</u>	<u>91,153</u>

ST MARY'S PRE-SCHOOL PLAYGROUP
STATEMENT OF ASSETS AND LIABILITIES
AS AT 31 AUGUST 2020

	Unrestricted Funds	
	2020	2019
	£	£
Cash funds		
Bank current account	<u>100,123</u>	<u>91,153</u>
	2020	2019
	£	£
Other monetary assets		
Prepayments	<u>810</u>	<u>686</u>
	2020	2019
	£	£
Assets retained for the Charity's own use		
Furniture and equipment		
At cost	10,414	9,141
At Net book value	<u>3,641</u>	<u>3,545</u>
	2020	2019
	£	£
Liabilities		
Accruals	1,722	1,244
Other creditors	704	-
Deferred income	<u>21,415</u>	<u>22,375</u>
	<u>23,841</u>	<u>23,619</u>

These financial statements were approved by the Trustees on 29 APRIL 21 and are signed on their behalf by:


T Underwood (Chair)
Trustee

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF
ST MARY'S PRE-SCHOOL PLAYGROUP**

I report to the Charity Trustees on my examination of the accounts of the Charity for the year ended 31 August 2020 which are set out on the afore mentioned pages of these financial statements.

Responsibilities and basis of report

As the Charity's Trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Charity as required by section 130 of the Act;
or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



L Thurston FCCA
Independent examiner
Lovewell Blake LLP
First Floor Suite
Unit 2 Hillside Business Park
Bury St Edmunds
IP32 7EA

4/6/21
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