

ISLINGTON PLAY ASSOCIATION
(Private Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

COMPANY REG NO. 3989283

CHARITY NO. 1086165

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Trustees and directors

| | |
|-------------------------|-----------------------|
| M K Kohli (Treasurer)** | (Resigned 19/10/2022) |
| R J Sinclair Taylor** | (Resigned 19/10/2022) |
| A Sethi** | |
| J E Lowe** | (Resigned 19/10/2022) |
| R Stephens** | |
| A Castro** | |
| A Kashyap ** | (Resigned 28/07/2023) |
| BA Tennant** | |
| HEO Burchett ** | |

*** Management Committee members are also, for the purpose of the Companies Act 2006, company directors.*

Key management & personnel

S Keeton-Acting - Chief Executive
 W Jeeves-Services - Director
 B Ghebreyesus - Finance Director

Administration and registered office:

164 Mackenzie Road
 London
 N7 8SE

Charity registration no.:

1086165

Company registration no.;

03989283 (England & Wales)

Website:

<http://www.islingtonplay.org.uk/>

Auditors:

SCB (Accountants) Ltd.
 Chartered Accountants & Registered Auditors
 31 Sackville Street
 Manchester
 M1 3LZ

Bankers:

COIF Charity Funds
 Co-operative Bank
 Barclays Bank

Funding Authorities:

London Borough of Islington

The Trustees are pleased to present their annual directors' report for the year ended 31 March 2023 which is also prepared to meet the requirements for a director's report and accounts for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

OBJECTIVES AND ACTIVITIES

Experience

Islington Play Association (IPA) remains a local charity in no small part because of its deep roots and rich history in the borough. Originally founded in the early 1970s by Islington residents, IPA has been making a difference for children in Islington for over 50 years. Its roots are in community activism and advocacy, originally as an umbrella organisation campaigning for play provision. By the late 1990s IPA was working with dozens of local child-centred projects and services on matters such as planning, funding and quality and providing practical support with recruitment, equipment, transport and safeguarding.

IPA has always been an active participant in its local communities, including local partnerships, development groups and multi-agency working. From the early 2000s IPA started to directly deliver services for children and in 2011 IPA's constitution was revised to reflect its ongoing charitable objective: to provide play and learning opportunities in Islington.

IPA has supported thousands of the borough's children over the years and continues to do so.

The needs we are addressing

Behind the numbers of children benefitting from IPA's services is a sadly familiar story which illustrates why our work remains necessary. Islington is a vibrant, diverse and community-spirited borough but is also the sixth most deprived local authority in London. It has the second lowest density of green space of all England's local authorities. The rate of child poverty is 47%, compared with a London average of 38%. Overcrowding in households with children is nearly 40%.

Children and young people in Islington are living completely different lives from their parents and even from their older siblings. The children and parents who use our services tell us that technical changes, in particular social media, increased fear of going out (for reasons including fear of other young people, strangers and traffic), worse health outcomes due to unhealthy lifestyles and stress, and extreme pressure from school all lead to more stress and anxiety.

Families also tell us that the things that, in their view, make a difference are safe spaces to go that are free, adults with a focus on the best outcomes for children, places that are different from other children's spaces and inspire involvement, excitement and offer distraction, and people who can be role models.

At IPA we feel that our focus on outdoor play, whether free adventure playgrounds or the outside opportunities at Paradise Park Children's Centre, provide welcoming and accessible spaces that families are telling us that they want and value.

The capital estate now includes Paradise Park Children's Centre, from where a 47-place nursery operates, and five adventure playgrounds: Lumpy Hill, Crumbles Castle, Martin Luther King, Timbuktu and Toffee Park. The redevelopment work undertaken by Islington Council at Martin Luther King was completed in May 2023 with the playground due to open in time for the summer holidays in July 2023.

Organisational Aims

1. An organisation that is financially sustainable and organisationally robust.
2. Delivery of high quality, flexible and relevant services with a focus on those most in need.
3. Maintain, develop, and expand unique spaces for play that reflect children's hopes and are responsive to their challenges.

Fulfilling the mission in 2022-23

While the practical and day to day impact of the pandemic may have diminished this year, the post-pandemic era continues to impact on the lives of children. Combined with the local impact of other global events, the year has been another of challenge for IPA.

Challenges during 2022/23 included:

- Recruitment of staff reflected the challenges experienced across the sector and nationally. We have deployed different methods of recruitment, for example through specialist agencies, to find different routes of reaching prospective candidates. Recruitment for Paradise Park Children's Centre has been particularly challenging due to a national shortage of early years workers as people leave the workforce or seek to reduce their working hours. In turn, we have had to increase use of regular agency and sessional staff.
- While Islington Council extended the contract to operate the adventure playgrounds, the level of funding has been cut as the council sought to overcome its own budgetary challenges. IPA is now working with an external organisation to develop capacity to apply for grant funding from trusts and foundations in order to diversify income.
- Inflationary pressures impacted, for example through the cost of utilities and materials, and from other suppliers having to increase their fees to meet their own increased costs.

The longer-term impact of the pandemic on children and young people is evident from the regular participants at the playgrounds, which in turn can impact on staff who are now working with more complex behaviour and emotions in children.

Working with and managing challenge

We have continued to work to navigate the longer-term impact of the pandemic and acuity of the cost of living crisis.

The spaces and opportunities for play that IPA provides mitigate the impact of the above factors by providing positive, child-centred experiences. The multiple sites we operate also enable us to complement our core service offer with other services and opportunities that alleviate some of the need experienced by local children. Two of our adventure playgrounds, Crumbles Castle and Timbuktu, in partnership with the Felix Project, run informal food banks for local families.

Throughout school holidays, we have provided free lunches to children and Take and Make food parcels for families in partnership with Kitchen Social and Holiday Activities and Food (HAF) at 5 playgrounds which are free to access. Hundreds of meals have been provided over the year.

IPA has also continued to move forward after significant unplanned changes. In July 2022, following Anita Grant's resignation after 16 years as CEO, the board appointed an Interim CEO, Sarah Keeton, to bring strategic and organisational leadership and maintain the strength of the leadership team which also comprises Wendy Jeeves, Services Director, and Biniam Ghebreyesus, Finance Director.

Structure, Governance and Management

Governing Document

Islington Play Association is a company limited by guarantee and is a registered charity. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

Recruitment & Appointment of Trustees

Appointment of directors/Trustees is governed by the Memorandum & Articles of Association.

New Trustees undergo training on their legal obligations as under Charity Law, the decision-making process, the business plan and recent performance of the charity.

Organisational Structure

Islington Play Association (IPA) is managed by a board of directors. Directors also serve as Trustees for the purpose of charity law.

Recruitment of Trustees is typically managed annually and is planned to fill a gap in knowledge as identified by the CEO and Trustees. A recruitment process is followed which includes an application and interview. Directors are elected by members of the charitable company at an annual general meeting and officer positions confirmed annually. Additionally, the board may co-opt individuals to serve as Directors, but any person so appointed may retain office only until the next annual general meeting when they are entitled to stand for full election.

Induction processes and documents are in place and are carried out jointly by staff and existing Trustees. The Directors meet a minimum of five times a year to review the affairs of the charitable company. In 2022/23, because of changes in leadership, the Directors took the decision to meet monthly and pause sub-committees. The Directors intend to return to meeting quarterly in the second half of 2022/23 when Trustee recruitment is complete. The finance sub-committee would then return to meet at least four times a year to review remuneration of personnel, annual budgets, and financial management. The HR sub-committee would also be reinstated. Other sub-committees and working groups would be formed and meet as required.

Leadership: the leadership team comprises a CEO, Finance Director and Services Director. The CEO oversees all aspects of the services, provides strategic direction, and advocates for the charity's mission and aims both internally and externally. The Services Director is responsible for the quality of services including staff practice. The Finance Director is responsible for the budgeting and management of the organisation's finances and accounts.

Workforce: Senior managers are in place for each aspect of the services and at the start of this year comprised a Head of Adventure Play and a Nursery Manager, reflecting the two core contracts in place. At the end of 2022, when the Head of Adventure Play left the Charity to take up alternative employment, the Charity took the decision not to replace the position in order to remain agile in light of the cut in funding from Islington Council. A new role of Senior Adventure Playground Manager was created, which combines operational management of one of the adventure playgrounds with additional senior management responsibilities in support of the Services Director. The Senior Adventure Playground Manager role has been instrumental in supporting the later stages of the redevelopment of Martin Luther King Adventure Playground.

All staff have annual appraisals and supervision. IPA is committed to the London Living Wage and encourages applications from the local community. IPA recognises that excellent staff are fundamental to the delivery of the mission and is committed to using HR practices to support and manage staff issues in a timely and efficient way.

IPA encourages applications from all communities and actively aims to recruit people reflective of the diverse population served.

Risk Management

All major risks to which the charity is exposed, as identified by the senior management team of the organisation and the Trustees, are actively reviewed and systems and procedures are in place to manage those risks. IPA's risk register uses a system to quantify and rank specific risk items according to certain criteria such as financial implications for the organisation and is regularly reviewed at Trustee meetings. All risks are then discussed and mitigation strategies developed by management and the Trustees.

Related parties

None of the Trustees receive remuneration or other benefit in their capacity as Trustees of the charity. Any connection between a Trustee of the charity and organisation providing services to the charity must be disclosed to the full board of Trustees in the same way as any contractual relationship with a related party. In the current year no such related party transactions were reported.

Public benefit

The trustees have complied with the duty in Section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission, including public benefit guidance, and consider that the IPA's mission, aims and activities are for the public benefit. The effectiveness of the charity's work is discussed at trustee meetings and decisions made as necessary. All planning is based on achieving the core aims of the charity to support, increase and improve play opportunities for children and young people in order that they may have the best start possible to their lives.

Financial review

Total income for the year amounted to £1,401,164 with total expenditure amounting to £1,413,919 leaving a deficit in the year of £12,716.

Accumulated reserves at the balance sheet date amounted to £323,821, of which £323,821 represents income reserves.

Principal funding sources

Principal funding sources in 2022/23 were Islington Council through two commissioned contracts fulfilled through five adventure playgrounds and a children's centre, fees from services e.g., childcare and from grants.

Investment powers and policy

The Memorandum & Articles of Association authorises the Trustees to make and hold investments using the general funds of the charity

Reserves policy and going concern

The Trustees have established a reserves policy and review this at least annually. Within unrestricted funds, £95,000 (2022: £95,000) is held as a designated fund to cover closures costs up to 6 months in the event of the charity ceasing to operate. The remaining unrestricted funds at £228,821 (2022: £241,537) are used by the charity to fulfil a 'number of roles, including as operating capital and supporting the furtherance of the charity's objectives.

Fundraising standards

The Islington Play Association is not registered with the Fundraising Regulator and the charity has not carried out any significant fundraising activities.

Fixed Assets

The movement in fixed assets are shown in note 17 of the financial statements.

Plans for future periods

Funding for the year 2023/24 has been secured from the London Borough of Islington with total grants receivable for the year of £536,738 for the Charity's core activities and the aim of the Trustees is to further develop the children's centre, the provision of nursery education and outreach services in Islington and the surrounding areas.

Directors and Trustees

The Trustees who are Directors for the purpose of company law who have served during the year and up to the date of this report are set out on page 1.

Trustees responsibilities In relation to the financial statements

The charity Trustees (who are also Directors of the Company for the purposes of company law) are responsible for preparing a Trustees' annual report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently.
- observe the methods and principles in the Charities SORP.
- make judgments and estimates that are reasonable and prudent.
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- prepare financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the company's auditor is unaware; and
- the Trustees, having made enquiries of fellow Directors and the company auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

AUDITORS

A resolution was proposed and agreed at the Annual General Meeting that SCB (Accountants) Ltd be re-appointed as auditors of the Charity for the ensuing year.

APPROVAL

This report along with the strategic report was approved by the Board of Directors and Trustees 28th Sept 2023 and signed on its behalf:



Annie Tennant
Trustee & Company Director

Opinion

We have audited the financial statements of Islington Play Association for the year ended 31 March 2023 on pages 9 to 19. The financial reporting framework that has been applied in their preparation is applicable law, and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023, and of its incoming resources and application of resources, including its Income and expenditure, for the year then ended;
- have been properly prepared in accordance with the United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information we are required to report that fact. We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees report has been prepared in accordance with applicable legal requirements-

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' and Trustees' Report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates, and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We discussed with the Directors the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations and remained alert to any indications of non-compliance.

During the audit we focussed on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006, UK tax legislation, Charity Act 2011 and SORP 2019. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

Our procedures in relation to fraud included but were not limited to: inquires of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates. We also addressed the risk of management override of internal controls, including testing journals and appropriateness of other entries in the nominal ledger; reviewing transactions around the end of the reporting period; and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

ISLINGTON PLAY ASSOCIATION
(Private Company Limited by Guarantee)
Independent Auditor's Report to the Member of Islington Play Association

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditors responsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jeffrey Bor Bsc FCA (Senior Statutory Auditor)
For and on behalf of SCB (Accountants) Ltd, Statutory Auditor.

31 Sackville Street
Manchester
M1 3LZ

Date: 29/11/2023

ISLINGTON PLAY ASSOCIATION
(Private Company Limited by Guarantee)
Statement For Financial Activities
For the year ended 31st March 2023

| | Notes | Unrestricted/ Designated Funds £ | Restricted Funds £ | 2023 £ | 2022 £ |
|--|-------|---|--------------------------|------------------|------------------|
| Income | | | | | |
| Grants and Donations | 3 | 2,773 | 1,026,801 | 1,029,575 | 1,129,479 |
| Income from charitable activities | 4 | 369,661 | - | 369,661 | 276,873 |
| other income | 5 | 1,968 | - | 1,968 | 46 |
| | | <u>374,402</u> | <u>1,026,801</u> | <u>1,401,204</u> | <u>1,406,398</u> |
| Expenditure | | | | | |
| Expenditure on charitable activities: | | | | | |
| Direct charitable activities | 6 | 370,798 | 1,026,801 | 1,397,599 | 1,300,094 |
| Management & Administration | 7 | 16,320 | - | 16,320 | 8,256 |
| Total Expenditure | | <u>387,118</u> | <u>1,026,801</u> | <u>1,413,919</u> | <u>1,308,350</u> |
| Net income/(expenditure) & net movement in funds before transfers | | (12,716) | - | (12,716) | 98,048 |
| Transfer of funds | | - | - | - | - |
| Net income/(expenditure) & net movement in funds after transfers | | (12,716) | - | (12,716) | 98,048 |
| Total funds, brought forward | 17 | 336,537 | - | 336,537 | 238,489 |
| Total funds, carried forward | | <u>323,821</u> | <u>-</u> | <u>323,821</u> | <u>336,537</u> |

The Statement of Financial Activities also complies with the requirements of an income and expenditure account under the Companies Act 2006.

CONTINUING OPERATIONS

None of the Company's activities were acquired or discontinued during the above two financial periods.

TOTAL RECOGNISED GAINS AND LOSSES

The Company has no recognised gains or losses other than the above movement in funds for the above two financial periods.



The notes on pages 12 to 20 form part of these accounts.

ISLINGTON PLAY ASSOCIATION
(Private Company Limited by Guarantee)
Balance Sheet
As on 31st March 2023

| | Notes | 2022/23 £ | £ | 2021/22 £ | £ |
|--|-------|----------------|----------------|----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 13 | | 19,469 | | 3,326 |
| Current assets | | | | | |
| Debtors | 14 | 59,197 | | 189,086 | |
| Cash at bank and in hand | | 405,216 | | 342,398 | |
| | | <u>464,413</u> | | <u>531,484</u> | |
| Liabilities | | | | | |
| Creditors falling due with in one year | 15 | (129,986) | | (159,532) | |
| | | <u></u> | | <u></u> | |
| Net current assets | | | 334,426 | | 371,952 |
| Creditors falling due after more than one year | 16 | | (30,074) | | (38,741) |
| Net assets | | | <u>323,821</u> | | <u>336,537</u> |
| The funds of the charity | | | | | |
| Unrestricted funds | | | 228,821 | | 241,537 |
| Designated funds | 17 | | 95,000 | | 95,000 |
| Total charity funds | | | <u>323,821</u> | | <u>336,537</u> |

The Trustees have prepared accounts in accordance with Section 398 of the Companies Act 2006 and Section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

These accounts were approved by the Board of Directors and Trustees on 28th Sept 2023 and were signed on its behalf by:


Annie Tennant
Company

Stephens
Company Director

Company Registration No: 3989283

The notes at pages 12 to 20 form part of these accounts

| | Notes | 2023 £ | 2022 £ |
|---|-------|-----------|-----------|
| Cash used in operating activities | 19 | 88,339 | (55,252) |
| Cash flows from investing activities | | | |
| Interest income | | 1,928 | 46 |
| Purchase of tangible fixed assets | | (18,824) | (3,009) |
| Cash provided by / (used in) investing activities | | (16,895) | (2,963) |
| Cash flows from financing activities | | | |
| Repayment of borrowing | | (8,667) | - |
| Cash used in financing activities | | (8,667) | - |
| Increase / (decrease) in cash & cash equivalents in the year | | 62,778 | (58,215) |
| Cash & cash equivalents at the beginning of the year | | 342,398 | 400,613 |
| Total cash & cash equivalents at the end of the year | | 405,176 | 342,398 |

Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of Preparation

The Financial statements have been prepared in accordance with Accounting and Reporting of charities: SORP applicable to charities preparing their accounts in accordance with Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective date 1 January 2019) - Charities SORP (FRS 102), the financial reporting standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The Islington Play Association meets the definition of a public benefit entity under FRS 102

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

Islington Play Association meet the definition of Charity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy (notes).

Preparation of accounts on a going concern basis

The Charity's Financial Statements show net deficit of £12,716 for the year and free reserves of £334,426.

For the purposes of short- and medium-term financial management, the Trustees are closely monitoring the management of working capital and the working capital position is in line with their policy of building free resources sufficient to fund ongoing unrestricted expenditure. The review of secured income from Islington council for 12 months from the date of approval of the financial statements, the associated assumptions that under-pin it, the pipeline of new income and the steps that could be taken to reduce expenditure should this be necessary. Further, it is supported by the increase in volume of activities suggest that the trust would be earning more Income in future.

Based on the information above the Trustees have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future and will remain profitable in future periods. Therefore, the trustees have adopted the going concern basis in preparing these accounts.

Incoming resources

Income (including income from government and other grants) is recognised when the charity has entitlement to the funds, any performance conditions attached to the items of income have been met. It is probable that the income will be received, and the amount can be measured reliably.

Government Grants

Income from government grants comprises of grant funding made available by local authorities to fund the children centre and adventure playgrounds running cost of the Charity. See note 3 for more information and to the amount and sources of these grants.

Interest and investment income receivable

Interest on funds held on deposit and income from investments held is included when receivable and the amount can be measured reliable by the charity.

Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside for a specific purpose. Restricted funds are donations or grants which the donor has specified are to be solely used for a particular purpose or area of the IPA work or projects being undertaken by IPA.

- cost of raising funds comprise the cost of commercial trading.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required, and the amount of the obligation can be measured reliably. Expenditure is classified under the following headings.

- expenditure on charitable activities includes the cost of operating the nursery and outreach services.
- management and administration include support costs for those functions that assist the work of the charity.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure has been incurred.

Taxation

As a grant aided charity with charitable status the charity's activities do not create a charge to corporation tax.

Operating leases

Rentals paid under operating leases are charged to income on a straight-line basis over the lease term.

Tangible fixed assets

Tangible fixed assets for use by the charity are stated at cost less depreciation. Individual fixed assets costing £500 or more are capitalised at cost.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following basis:

- Fixtures & Fittings - 25% reducing balance.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of less than three months from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Financial instruments

IPA has only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. The charity does not acquire put options, derivatives or other complex financial instruments,

Pensions

IPA operates a pension scheme with the Peoples Pension.

Judgement and key sources of estimation uncertainty

In the application of the company's accounting policies, the charity is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

ISLINGTON PLAY ASSOCIATION
(Private Company Limited by Guarantee)
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1 Legal status of the Charity

Islington Play Association is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

2 Financial performance of the charity

| | 2023 £ | 2022 £ |
|--|------------------|------------------|
| Income | 1,401,204 | 1,406,398 |
| Expenditure on charitable activities | 1,394,918 | 1,298,985 |
| Expenditure on management and administration | 16,320 | 8,256 |
| Depreciation | 2,681 | 1,109 |
| | <u>1,413,919</u> | <u>1,308,350</u> |
| Net income | (12,716) | 98,048 |
| Total funds brought forward | 336,537 | 238,489 |
| Total funds carried forward | <u>323,821</u> | <u>336,537</u> |
| Represented by: | | |
| Unrestricted funds | <u>323,821</u> | <u>336,537</u> |

3 Income from Donations and Grants

| | 2023 £ | 2022 £ |
|------------------------------------|------------------|------------------|
| IB Islington - Core grant | 966,605 | 1,081,580 |
| Kusuma Trust UK | 34,400 | - |
| The Cally Festival | 16,796 | - |
| Others | 2,500 | 8,779 |
| London Mayor's fund | 6,500 | 3,200 |
| Donations | 2,773 | 3,450 |
| 29th May 1961 Charitable Trust | - | 1,500 |
| Small fundings | - | 14,760 |
| Big Alliance | - | 9,460 |
| Healthy Winter Holiday & Islington | - | 5,000 |
| Museum of London | - | 1,750 |
| | <u>1,029,575</u> | <u>1,129,479</u> |

Of the £1,029,575 grants and donation income in year ending March 2023 (2022: £1,129,479), £1,026,801 was charged to restricted funds (2022 - £1,126,029) and £2,773 to unrestricted funds (2022 - £3,450).

ISLINGTON PLAY ASSOCIATION
(Private Company Limited by Guarantee)
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4 Income from charitable activities

| | | 2023 | 2022 |
|----------------------------------|-----------------------------------|----------------|----------------|
| | | £ | £ |
| Advancing education of children- | Activity supporting play activity | 369,661 | 276,873 |
| | | 369,661 | 276,873 |

Charitable activity income totalled £369,661 (2022: £276,873) . These were attributed fully to unrestricted funds for current year and previous year

5 Income from other charitable activities Fund raising

| | 2023 | 2022 |
|---------------------|--------------|-------------|
| | £ | £ |
| Interest receivable | 1,968 | 46 |
| | 1,928 | 46 |

6 Analysis of expenditure on charitable activities

| | Unrestricted/Designated Funds | Restricted Funds | 2023 | 2022 |
|---------------------------------------|--------------------------------------|-------------------------|------------------|------------------|
| | £ | £ | £ | £ |
| Supporting Play activity Direct costs | 370,798 | 1,026,801 | 1,397,599 | 1,300,094 |
| | 370,798 | 1,026,801 | 1,397,599 | 1,300,094 |

Of the £1,300,094 expenditure in 2022, £174,065 was charged to unrestricted funds and £1,126,029 to restricted funds.

ISLINGTON PLAY ASSOCIATION
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7 Analysis of governance and support cost

| | 2023 | 2022 |
|-----------------------|---------------|--------------|
| | £ | £ |
| Audit and accountancy | 9,120 | 7,116 |
| Legal & professional | 7,200 | 1,140 |
| | <u>16,320</u> | <u>8,256</u> |

8 Net income /(expenditure) for the year

| | 2023 | 2022 |
|--|--------------|--------------|
| | £ | £ |
| This is stated after charging: | | |
| Depreciation -owned assets | 2,681 | 1,109 |
| Auditors remuneration for audit services | <u>9,120</u> | <u>7,116</u> |

9 Analyses of staff costs, trustee remuneration and expenses, and the cost of key management personnel

| | 2023 | 2022 |
|------------------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 905,927 | 969,278 |
| Employers national insurance | 66,880 | 73,492 |
| Employers Pension | 21,132 | 22,510 |
| Agency & sessional staff | <u>20,266</u> | <u>24,838</u> |
| | <u>1,014,205</u> | <u>1,090,118</u> |

The average number of staff employed during the year were as follows:

| | | |
|--------------------------|-----------|-----------|
| Direct charitable | 70 | 72 |
| Administration & support | <u>6</u> | <u>6</u> |
| | <u>76</u> | <u>78</u> |

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year were as follows:

| | | |
|--|----------|----------|
| | <u>1</u> | <u>1</u> |
|--|----------|----------|

The key management personnel of the charity are as shown on page 1. The total employee benefits of the key management personnel of the charity were £96,935 (2022: £115,480)

ISLINGTON PLAY ASSOCIATION
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10 Trustees' remuneration

The trustees were not paid or received any other benefits from the Charity during the year in their capacity as trustees.

11 Related party transactions

There were no related party transactions for the year ended 31 March 2023

12 Corporation Tax

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

| | 2023 £ | Total £ |
|---------------------------------|---------------|---------------|
| 13 Tangible fixed assets | | |
| Cost; | | |
| At 1 April 2022 | 12,540 | 9,531 |
| Additions | 18,824 | 3,008 |
| At 31 March 2023 | <u>31,363</u> | <u>12,540</u> |
| Depreciation | | |
| At 1 April 2022 | 9,214 | 8,105 |
| Charge in year | 2,681 | 1,109 |
| At 31 March 2023 | <u>11,895</u> | <u>9,214</u> |
| Net book value | | |
| At 31 March 2023 | <u>19,469</u> | <u>3,326</u> |
| At 31 March 2022 | <u>3,326</u> | <u>1,426</u> |

14 Debtors

| | 2023 £ | 2022 £ |
|------------------------------|---------------|----------------|
| Amounts due within one year: | | |
| Trade debtors | 52,079 | 181,547 |
| Prepayments | 1,137 | 4,954 |
| Fees debtors | 5,981 | 2,585 |
| | <u>59,197</u> | <u>189,086</u> |

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15 Creditors

| | 2023 £ | 2022 £ |
|--------------------------------------|----------------|----------------|
| Amounts falling due within one year: | | |
| Trade creditors | 20,403 | 36,908 |
| Fees creditors & deposits | 45,626 | 44,010 |
| Other creditors | 23,204 | 29,503 |
| Holiday pay accrual | 21,916 | 31,511 |
| Accrued expenses | 9,120 | 7,116 |
| Loans | 9,717 | 10,484 |
| | <u>129,986</u> | <u>159,532</u> |

16 Long Term Creditors

| | 2023 £ | 2022 £ |
|---|---------------|---------------|
| Amounts falling due more than one year: | | |
| Loans | 30,074 | 38,741 |
| | <u>30,074</u> | <u>38,741</u> |

17 Analysis of fund balances between net assets

| | Unrestricted | | 2023 £ |
|---|----------------|-----------------|----------------|
| | General £ | Designated £ | |
| Tangible fixed assets | 19,469 | - | 19,469 |
| Cash at bank and in hand | 310,216 | 95,000 | 405,216 |
| Other net current assets/ (liabilities) | (100,864) | - | (100,864) |
| | <u>228,821</u> | <u>95,000</u> | <u>323,821</u> |

Analysis of fund balances between net assets -Previous Year

| | Unrestricted | | 2022 £ |
|---|----------------|-----------------|----------------|
| | General £ | Designated £ | |
| Tangible fixed assets | 3,326 | - | 3,326 |
| Cash at bank and in hand | 250,724 | 91,674 | 342,398 |
| Other net current assets/ (liabilities) | (9,187) | - | (9,187) |
| | <u>244,863</u> | <u>91,674</u> | <u>336,537</u> |

ISLINGTON PLAY ASSOCIATION
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18 Analysis of Funds

| | Balance 01/04/2022 £ | Incoming Resources £ | Resources Expended £ | Balance at 31/03/2023 £ |
|---------------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|
| Restricted Funds | | | | |
| LB Islington - Core grant | - | 966,605 | (966,605) | - |
| Kusuma Trust UK | - | 34,400 | (34,400) | - |
| The Cally Festival | - | 16,796 | (16,796) | - |
| London Mayor's fund | - | 6,500 | (6,500) | - |
| Other Income - Restricted Funds | - | 2,500 | (2,500) | - |
| | - | 1,026,801 | (1,026,801) | - |
| Unrestricted Funds | | | | |
| General funds | 241,537 | 374,402 | (387,118) | 228,821 |
| Designated funds | 95,000 | - | - | 95,000 |
| TOTAL UNRESTRICTED FUNDS | 336,537 | 374,402 | (387,118) | 323,821 |
| GRAND TOTAL | 336,537 | 1,401,204 | (1,413,919) | 323,821 |

Analysis of Funds - Previous year

| | Balance 01/04/2021 £ | Incoming Resources £ | Resources Expended £ | Balance at 31/03/2022 £ |
|------------------------------------|----------------------------|----------------------------|----------------------------|-------------------------------|
| Restricted Funds | | | | |
| LB Islington - Core grant | - | 1,081,580 | (1,081,580) | - |
| London Mayor's fund | - | 3,200 | (3,200) | - |
| 29th May 1961 Charitable Trust | - | 1,500 | (1,500) | - |
| Small Funding - Restricted Funds | - | 14,760 | (14,760) | - |
| Big Alliance | - | 9,460 | (9,460) | - |
| Healthy Winter Holiday & Islington | - | 5,000 | (5,000) | - |
| Museum of London | - | 1,750 | (1,750) | - |
| Other Income - Restricted Funds | - | 8,779 | (8,779) | - |
| | - | 1,126,029 | (1,126,029) | - |
| Unrestricted Funds | | | | |
| General funds | 143,489 | 280,369 | (182,321) | 241,537 |
| Designated funds | 95,000 | - | - | 95,000 |
| TOTAL UNRESTRICTED FUNDS | 238,489 | 280,369 | (182,321) | 336,537 |
| GRAND TOTAL | 238,489 | 1,406,398 | (1,308,350) | 336,537 |

Unrestricted Funds:

Unrestricted funds include both the general fund which represents funds available to spend at the discretion of the Trustees after allowing for all the designated funds.

Designated funds:

The designated fund represents monies designated by the trustees to cover closures costs up to 6 months in the event of the charity ceasing to operate.

Restricted funds:

LB Islington - Core Grant: This is mainly two Council Funded Commission Services aimed at providing one Children Centre and five Adventure Playgrounds.

Kusuma Trust UK: This project is to support the operation of a Kids Climate Café at Crumbles Castle Adventure Playgrounds.

Cally Fest Project: This annual event, held on Caledonian Road in Islington, serves the purpose of bringing together different segments of the Islington community to celebrate.

London Mayor's Fund: This focuses on provision of good quality holiday for children including the provision of nutritionally balanced meals over the school holidays.

Other Income: This represents small grants aimed at supporting various services provided by the organisation.

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19 Reconciliation of net movement in funds to net cash flow from operating activities

| | 2023 | 2022 |
|--|---------------|-----------------|
| | £ | £ |
| Net movement In funds for the reporting period (as per the SOFA) | (12,716) | 98,048 |
| Adjustments for: | | |
| Depreciation charges | 2,681 | 1,109 |
| Dividends, interest and rents from investments | (1,968) | (46) |
| (increase)/decrease in debtors | 129,888 | (174,239) |
| increase/(decrease) in creditors | (29,546) | 19,876 |
| Net cash provided by (used in) operating activities | 88,339 | (55,252) |

20. Ultimate Controlling Party

The charity was under the control of the Board of Trustees throughout the year.