

Charity registration number 1124222

Company registration number 06541176 (England and Wales)

PATA (UK)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2024

PATA (UK)

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	K Heaton-Jones A Williams D Jones N Cranfield S Allen H J Walker	
Chair	N Cranfield	
Chief Executive	J Craswell P Hayball	(Resigned 26 August 2024)
Treasurer	S Allen	
Secretary	H Ducker	
Charity number	1124222	
Company number	06541176	
Principal address	Chequers Bridge Centre Painswick Road Gloucester GL4 6PR	
Registered office	Chequers Bridge Centre Painswick Road Gloucester GL4 6PR	
Auditor	Griffiths Marshall 4th Floor Llanthony Warehouse The Docks Gloucester GL1 2EH	
Bankers	National Westminster Bank 21 Eastgate Street Gloucester GL1 1NH CAF Bank Ltd 25 Kings Hill Avenue Kings Hill West Malling Kent ME19 4JQ	

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PATA (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees present their annual report and financial statements for the year ended 31 August 2024.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the charity's Memorandum of Association, the Companies Act 2006 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 (FRS 102) (effective 1 January 2015).

Structure, governance and management

The charity was incorporated by guarantee on 20 March 2008. It has no share capital and is a registered charity. The guarantee of each member is limited to £1.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

K Heaton-Jones

A Williams

L Woore, nee Adler

(Resigned 30 January 2024)

D Jones

N Cranfield

S Allen

J P Griffin

(Resigned 21 November 2023)

H J Walker

Recruitment & Appointment of Trustees

Trustees are recruited from the PATA (UK) (herein referred to as PATA) membership. The officers are elected from within the Board of Trustees. The Board may co-opt trustees with specialist knowledge or interest.

Trustee induction & Training

PATA has an established trustee induction programme. New trustees meet with key staff members and are given relevant publications. Training (both internal and external) is provided for Trustees as required.

Organisational structure & decision making

All the main decisions concerning significant developments for the organisation are discussed and ratified at Board of Trustee meetings. Decisions with financial impact need approval of Trustees. Decisions on the day to day running of the organisation are taken by the Chief Executive and Chair of Trustees.

Related parties

PATA membership consists of both early years and childcare settings and individuals. All members are autonomous from PATA.

Review of risks

PATA regularly reviews the strengths, weaknesses, opportunities, and threats to its business. The trustees have assessed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks.

Key risks are identified in the detail of this Trustee's report.

PATA (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2024**

Objectives and activities

The Charity's Aims

More children and families benefit from PATA supporting high quality community learning, play and early years education.

The Charity's objects ("the Objects") are ;

- * to enhance the development, care and education of children primarily under statutory school age and also of children and young people of school age by encouraging parents to understand and provide for the needs of their children through community groups; and

- * to encourage the formation of groups offering appropriate play, education and care facilities, together with the opportunity for parents to take responsibility for and to become involved in the activities of these groups, ensuring that such groups offer opportunities for all children and young people whatever their race, culture, religion, means or ability and offering continuing support, encouragement and help to these groups; and

- * to encourage the study of the needs of such children and their families and promote public interest in the recognition of these needs.

Public Benefit Statement

The trustees have considered their duty in section 4 of the Charities Act 2006 to have due regard to the public benefit guidance published by the Charity Commission and believe that PATA offers a Public Benefit by :

- * offering support and advice and appropriate services to it's member settings, including to the parent committees who oversee and support many of them;

- * offering high quality training and development opportunities to practitioners working with children and parents where appropriate; and

- * offering small grants to improve both the physical environment of charitable childcare settings and skill level of those working with the children.

The benefits of these services and support are measured via regular user surveys and feedback received along with the continued and improved sustainability of the voluntary and community early years settings in Gloucestershire.

Main objectives for 2023-24

To review the strategic plan for the organisation post covid and to set the direction for the short and medium term.

To offer a range of accessible, responsive, information advice and guidance (IAG) services to member settings, their staff, and volunteers by offering online resources and newsletters. IAG will also be offered to course attendees and organisations. Services are offered through a telephone helpline, email/online contacts, or face to face.

To deliver specialist support services and projects that respond to the needs of settings working with children and young people which include specific services to PATA members and a payroll service.

To develop the PATA Managed Groups' (PMG) infrastructure, administration, and team skillset to ensure their sustainability and provide the foundation for potential future acquisitions.

To provide high quality training and development opportunities for those working or intending to work in the Children and Young People's sector, by running non-accredited short courses and workshops.

To participate in partnerships and initiatives that focus on enhancing support for early years providers and/or giving them a voice on issues and shared concerns, amplifying the voices of our members by advocating for them on behalf of the sector with decision makers both locally and nationally.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2024**

To continue to work in partnership with Gloucestershire County Council (GCC) and other relevant Voluntary and Community Sector (VCS) organisations and take part in and encourage others to respond to research and consultations.

To undertake planned programmes of work that focus on PATA's own development and continuous improvement. We will seek to develop our quality improvement programme and monitoring and evaluation framework.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the organisation should undertake.

Statement of Grant Making Policies

The 'Group Support and Development Fund' is financed from donations as and when they are received. This offers grants under three headings; Emergency, Development and Upskilling. These categories enable a broad and strategic use of the funds to help secure the viability of groups for the years to come, as well as responding to immediate needs.

PATA has continued to support groups in need, and particularly those at crisis point following serious complaints, safeguarding or staffing issues by providing specialist HR and management support which has included attendance at key meetings and ongoing specialist telephone support.

Investment activities

Funds are only retained in bank current accounts for immediate requirements. The remaining funds are retained in business reserve accounts to optimise the interest receivable and protection available through the Financial Services Compensation Scheme.

Volunteers involvement

All major decisions concerning business plans, strategy and finances are taken by charity trustees within the Board of Trustees. PATA involves volunteers in building maintenance and gardening in PMG settings, parent fundraising to support the PMGs and HR guidance. Across the settings and Head Office we have had 6 student placements (some registered on Early Years qualifications, some at school and considering future careers) and 3 volunteers in settings.

Partnership Working

We continued to work closely with Facts4Life, promoting delivery of their courses specifically for Early Years through our own settings and Members. Facts4Life is a charity in Gloucestershire funded by the NHS Gloucestershire Integrated Care Board and their aim is to promote a new way of thinking about health which promotes resilience.

We participate in the Best Start in Life Group, which is a Government initiative and facilitated through GCC, to ensure that Early Years challenges are raised with key sector influencers at GCC and across the county.

We are members of the VCS Alliance in Gloucestershire, sharing knowledge and expertise in the Early Years field as appropriate and making use of their training to upskill Head Office staff.

PATA (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

PATA Managed Groups (PMG)

The biggest influences on the PMG budgets remain child numbers and staffing costs.

Child numbers increased significantly in three settings during the year and left us with a staffing challenge due to a newly recruited staff member not starting as expected in September and another moving to work in the GCC Early Years Team. The other two settings saw a smaller increase in numbers even though they had extended their opening hours to 8am – 4pm through the introduction of breakfast and after session clubs.

From April 2024 working parents of 2-year-olds became eligible for up to 15 hours a week of free education and childcare (funded hours), which saw a small increase in numbers of children attending. Despite the Government's announcement that the initiative was to help more parents back into work, in practice and as we predicted, it mostly benefited those that were already paying for the hours. The impact for us was that we become more reliant on government funding, which accounts for 84% on our PMG income, and we lose the ability to set our own fee rates to ensure ongoing viability.

From September 2024 working parents of 9-months to 3-year-old children will be eligible for 15 hours a week free education and childcare, which for us may allow children to start as soon as they turn two (rather than waiting until the term after they turn two).

We continue to see lower than expected numbers of parents paying for additional hours over their government nursery education funded hours. There are a number of factors influencing this including changing working patterns, ongoing cost of living crisis and increased funded hours.

Whilst funding has increased for two-year-olds this was negated by a continued and significant rise in the National Living Wage (NLW). 82% of overall income is paid out in staff wages which are very much driven by the NLW rate. The Early Years sector remains underfunded and the reduction in fee-paying hours makes it difficult for us to lift pay rates beyond the NLW which is impacting on retention and recruitment. This means we are not able to make decisions we would like to (such as being a Real Living Wage employer) or better rewarding qualification and experience levels.

There is still very much a reliance on staff seeing their roles as a vocation. In some settings it has been necessary to retain more staff than child ratios determined to ensure we could increase child numbers as demand grew throughout the academic year and beyond. The Government launched a national marketing campaign to promote early years careers to support recruitment into the sector, but we have yet to see any results from this.

As mentioned, one of the biggest challenges seen this year was another unprecedented rise in the NLW rate which saw staffing costs in April jump considerably higher than the rise in the funding rates. The increase from £10.42 to £11.44 per hour ran through the entire payroll in order to meet mandatory NLW rates and to maintain an increasingly small differential for seniority of roles; this significantly impacted budgets and skewed previous budget forecasts for the year.

We continue to ask for our parents' assistance in giving voluntary donations as we are not permitted to charge top-up fees for children attending funded hours only under the GCC Providers Agreement. The PMGs have also undertaken many fundraising activities to enable them to enhance their resources and outdoor areas for the benefit of the children. This fundraising relieves pressure on the budgets, which cover essentials and overheads, and gives the parents an opportunity to contribute meaningfully to their child's learning.

Gift Aid Payments of £1,177 were received on the back of fundraising activities, which was added to the setting fundraising budgets.

The number of children presenting with additional needs continues to be a challenge, some of which is attributable to their very early formative years being spent during and post Pandemic. For many children this had a negative effect on their speech, language, personal independence, social and emotional skills thus impacting their whole early years development. This results in more children requiring lower ratio support and in some cases 1:1 support, which is not funded for the vast majority of children. This in turn puts additional pressure on all staff who are striving to help all children to be ready for the next stage of their learning journey.

PATA (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

We continued to work hard throughout the year to develop our curriculum and support our staffing teams to ensure our children received education and care that enabled them to be the best they can be. This was recognised during Ofsted inspections at PATA @ Penguins who achieved a strong Good with an Outstanding element in Personal Development and PATA @ Elmbridge Under Fives who received an Outstanding in all areas. We are extremely proud of these achievements which are very much deserved by the Managers and their teams.

PATA staff continue to provide the majority of the administrative support for the settings and continue to work with the managers to standardise policies, procedures, documents and forms to make the provision sustainable for the future. This work continues to enable the PATA office team to provide key support to all groups in our membership through working directly with staff to identify and share best practice across the county and to lead by example. All PMG policies were reviewed over the summer period with updates made as required.

Each setting has an individual website set up with a standardised PATA template, but with information specific to the setting. This links from the setting pages on the PATA website and is also linked from their Facebook pages. Each setting also has an open Facebook page for marketing purposes and a closed Facebook page to share photos and information with current families. All settings now also have an Instagram page which they keep updated regularly.

PMG staff attendees accounted for 123 places on PATA training courses, contributing to their personal development and enhanced practice/Continuing Professional Development (CPD). This is in addition to the mandatory training (First Aid, Safeguarding etc) and online self-directed short courses through NoodleNow.

PATA @ Winchcombe Early Years were successfully granted £500 from the Local Councillor Build Back Better scheme towards the installation of a new doorway to a Rising 3s garden area to enable free flow for this group of children and outdoor play possibilities for the community Stay and Play group. The Manager has used fundraising money and volunteer help from the local Men in Sheds group who have built a new covered stage and seating area in the garden to replace the existing stage which was rotten. This group have also volunteered to build the ramp from the new Rising 3s doorway to give the garden access that is needed. The HSBC grant from last year enabled us to train a member of staff as a Forest School Leader giving us the opportunity to run a Forest School Stay & Play during the year and Forest School Holiday Club sessions during the Summer. The lease at Winchcombe expired and the renewal suggested a 45% rise in rent in line with the terms of the lease and due to no increases having been made during the original term. We met with members of the Town Council, showed them the work we have done on the premises (especially the kitchen) and discussed the challenges the EY sector is facing. They were keen to support continuation of a Community Preschool/Playgroup in the town and took our suggestions to the next Council Meeting. The members reached the decision to accept our proposal of renewing the Winchcombe Playgroup (PATA) lease at the current rental rate with rental reviews at years three and six. (Previously there would have been a year five only review). This represented financial support of £5,281.50 over the next three years.

Strategic decisions are made in conjunction with PATA Trustees for the purpose of ensuring community playgroups remain viable and that foundations are put in place to ensure we are able to save other settings at risk if necessary.

Training and Development

PATA training continued to deliver training to individuals and Early Years settings and schools both throughout the UK and globally (to British International Schools) who want to access high quality relevant training.

With the exception of some bespoke training, all of our courses continued to be delivered via Zoom which has allowed us to both deliver training internationally and use trainers from around the UK without the necessity for factoring in their high travel and accommodation costs. This has enabled us to keep our training course prices as competitive as possible.

During 2023-24 we ran 46 courses with 683 participants

- General (advertised courses) – 38 courses with 582 participants that booked on.
- Bespoke – 8 courses with 101 participants that booked on.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2024**

Of the 683 bookings 18% were made by PMG staff; 59% were made by members and 23% by non- members.

Continuing the trend from last year, we saw a reduction in participants of 32% which we know from our Training Surveys and speaking to other training providers is due to the economic factors affecting many settings - the lack of adequate funding, higher staffing costs (due to NLW increases) and the impact of the cost-of-living crisis on rents, utilities and cost of resources, as well as free training offered both by government programmes and other organisations. This has meant that many settings have only been able to afford mandatory training although they are very well aware of the need for CPD training to enhance practitioner skills:

The Statutory Framework for the Early Years Foundation Stage, Section 3.26 on Training and Skills states: "Providers must support staff to undertake appropriate training and professional development opportunities to ensure they offer quality learning and development experiences for children that continually improves."

Our in-house team continued to offer free (as part of their Membership subscription) online network meetings to allow managers and senior staff from PATA members settings to 'network' and talk through issues with their peers. We ran five during the year and we had 2 with special guest speakers – a 'Learning Walk' expert and 'Speech and Language' experts, (8% of participants – 56 of 683) . We also offer Coffee Evening Clinics for Committee Members, HR clinics and Parent Support sessions (e.g., School Transitions support' but have had no uptake for these.

We ran three additional free events: An Insight into the Wonders of Forest School, BBC Tiny Happy People and Building Your Confidence with Ofsted (13% of our total attendees – 90 of the 683 participants) attended these.

We continued our partnership with 2nd Chance for Paediatric First Aid Training and Facts4Life.

Our partnership with NoodleNow grows stronger with many member settings taking advantage of the package we offer. This enables us to offer discounted access to all of our members and our own staff.

This year we introduced PATA Pocket-Sized sessions to allow more practitioners to attend training, which is more affordable for the settings. These are shorter (generally 1 hour in length) which give an overview of a subject area, and they can be fast paced. These have been very well received and has enabled practitioners who attend the opportunity to then request more in-depth training in the subject area or ask for bespoke training for whole staff groups. This year we ran 10 scheduled Pocket-Sized sessions and 1 bespoke. These are perfect as bespoke for Staff Team Meetings.

Also, we regularly promote to our Member Settings that if they are a registered charity they can apply for funding for bespoke training under our Group Support and Development Fund.

We continue to look to secure funding for further learning opportunities aiming to help learners to take the next step into volunteering or work in the childcare sector.

To widen the reach when marketing our training programme we trialled some paid for advertising through www.glos.info, a Gloucestershire Information website.

Support the development of early years and childcare settings

We continued to provide a membership service to 165 playgroups, toddler groups, nurseries, out of school clubs, children's centres, childminders and individuals throughout Gloucestershire and its borders, which includes providing information, advice and guidance on running effective groups, a job vacancy advertising service, subsidies on training, a Group Support and Development Officer and grant giving scheme, together with our long-established and well respected PATA Payroll Service. We continue to attract members from outside of Gloucestershire who are keen to benefit from the support PATA offers.

Our vacancies service posted 137 individual jobs for 57 different member settings onto our own website during the year. Whilst this is a decrease in the number from the previous year, we know that recruitment is still a difficult area for many settings. 34 settings asked for their advert to be reposted as they weren't able to recruit within their original timeframe. Due to our partnership with GlosJobs these were also posted automatically on the GlosJobs website free of charge. This saves settings £48+VAT per job advertised. Jobs are also advertised on a Facebook 'round-up' post each week.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

The Group Support and Development Fund (GSDF) continues to offer grants in three distinct areas; Emergency, Development and Upskilling. These categories enable a broader strategic use of the funds to help secure the viability of groups for the years to come, as well as responding to immediate needs. Two groups requested and received a grant in this academic year. The GSDF is promoted on all of our membership literature and our website on an open access page. Information about it is also included in our training feedback form which goes to every delegate.

In addition to this we continued the initial two-year project from September 2022 to offer Charitable member settings one visit per year from a dedicated support officer, funded from the GSDF. This enabled us to reconnect with member settings and offer them much needed face to face support from a qualified and experienced Early Years professional. The visits were extremely well received, and several groups reported that it helped them to secure a Good Ofsted rating following a visit. We have also been able to support a number of settings who received either Inadequate or Requires Improvement ratings, helping with developing and implementing action plans or providing reassurance and support to managers and setting staff.

We have provided additional paid for management and HR support to settings where specialist help has been required to deal with challenging circumstances.

We continued to support members with 11 email briefings covering everything from legislative changes, sector updates and support and advice. Some of these had additional in-depth information sheets attached, such as a comparison for the old EYFS and the new provisions in January. We also made 4 blog posts on specific topics, with more planned for next year. As well as being emailed to all PATA members these are posted on the website in the Member's Area, providing a back catalogue of information for members to draw on.

Our advice line and email help-desk services were invaluable to our members dealing with a large volume of enquiries split by email and direct phone calls, mainly from registered childcare providers, playgroups or nurseries with some also from toddler groups and out of school/holiday clubs. These dealt with significant issues of which 21% related to human resources, 16% governance, 22% legislation as well as financial and other concerns including setting closures. Many groups were provided with immediate advice and/or signposting.

Our website continues to attract both returning and new visitors. The Home page, Training Course Calendar page and the Job Vacancies pages continue to be the most active with over 14,500 views on the Job Vacancies page alone. Overall total page views for the year are above 115,000, up from 72,000 last year.

Our Facebook page remains our primary source of social media engagement and provides members and the wider early years community with valuable up to date information. We post all sector related updates from Government and relevant regulatory bodies, as well as articles on current topics and ideas for improving practice. We also use it to advertise upcoming training and provide a weekly round-up of job adverts. Over the year we published 199 posts, and our organic reach was over 26,000 (up 36.7% on last year). Almost all engagement is through organic reach. We now have over 1000 followers. We have started profiles on Instagram and LinkedIn and will work to develop these in the coming year.

We have worked with the Charities Commission to complete the adoption of the updated PATA Constitution (2019) for a small number of groups who hadn't previously completed it fully. We also continue to monitor the need for other types of charitable set-up for settings but maintain that for the majority of our members, the current format is the most suitable.

PATA Payroll Service

The PATA Payroll Service continues to be valued by its clients and numbers have increased from 229 to 234 regular clients, processing on average 820 employees per month. Some new clients have balanced out the playgroups which have closed who were payroll clients. Clients consist of 67 Member settings, predominantly pre-school groups and 167 Non-Member clients made up of 154 parish and town councils, 8 other charities and 5 small businesses/community cafes. Our clients benefit from Sage Cloud, which is an online storage 'cloud' that allows employees' access independently to view their monthly payslips and their annual P60's.

As well as our member clients receiving the PATA support for settings briefings, we ensure all our clients are kept up to date with key changes and relevant information regarding their payroll processes. For many member settings where a sole administrator, treasurer or manager oversees the payroll side of their business, the support of the PATA Payroll team is vital.

PATA (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

Elmbridge Children's Centre

To provide security for PATA @ Elmbridge Under Fives, PATA took over the lease of Elmbridge Children's Centre during Gloucestershire's 2016 decommissioning plan for Children's Centres. PATA @ Elmbridge Under Fives continued to run with an additional room for Rising 3's and offer a Stay & Play session in the Children's Centre for babies, toddlers, and their parents, which is run by members of the setting team.

The lease expired in September 2022. We still await further information from GCC regarding the new lease for the building and any associated costs.

Provide a voice for PATA members and the wider VCS on external partnerships

PATA have regular contact with Gloucestershire County Council (GCC), as well as other relevant VCS organisations across the county to provide information exchange on behalf of our members. We use our knowledge and influence at County level to ensure the voice of the sector is heard and help member groups to feel less alone and more supported. Again this year we championed the need for prompt payment to all Early Years settings in the county of the underspend in the early years budget, pushed for a full increase on the headline rate for funding to be confirmed as quickly as possible to enable settings to budget for future terms. GCC ran a 'consultation' on the funding options and the payment timescales as childminders wanted monthly payments. The consultation process was flawed with providers being asked to make decisions with insufficient information to be fully informed and without consideration of the practicalities for term time only settings. We consulted with our members, many of whom were disappointed with the outcome of the GCC consultation and presented their position to GCC and the local MPs.

We believe the process and final decision was heavily influenced by pressure from local MPs who may not have fully understood the full sector picture and the impact on settings versus childminders.

We were invited to attend an Early Years Conference organised by GCC where we had a stand and advertised PATA's support and services available.

We continue to have conversations with GCC's Early Years team, which allows us to communicate the needs of the sector. This year we have started to work more closely with GCC when groups are identified as 'in need' to ensure we are providing complimentary support services. With their increased budget from the government's childcare expansion programme, GCC have increased their team (recruiting one of our own staff) and the support that they can offer. The PATA CEO and PMG Managers continue to be actively involved in the development of new support tools that the county was introducing for Early Years settings this year. This ensured they were as useful and relevant as possible building on the best practice used in our settings.

CEO involvement in the Best Start in Life Group has opened up additional opportunities to champion the needs of the sector and the support that PATA can offer.

We continued to reach out to local MPs highlighting the difficulties faced in the Early Years sector and the impact of the government's policies. This included the government's decision to change the ratios for two-year-olds to 1:5 instead of 1:4, which as previously mentioned we did not agree with due to the pressure this places staff under due to increasingly seen developmental delays in many children.

Morton Michel continued to provide a sponsorship donation for PATA this year while a Passive Introducer scheme which would provide discounts for our members is in the process of being set up.

Identify measures to improve organisations effectiveness and efficiency

An audit was completed to assess the skill set of the current Board of Trustees and to inform recruitment requirements for new Trustees. This covered Governance & Leadership, HR, Finance, Operations, Digital, Marketing and Fundraising. This identified a need for some additional marketing, digital and corporate/grant fundraising expertise, which we will aim to address on the next Trustee recruitment drive.

We have started to make available documents and adaptable versions of our policies for member settings to purchase through our online shop. These can be easily tailored to individual setting circumstances or used to sense check existing policies. This has already seen a small increase in revenue to the Support for Settings income line. We continue to work on updating the PATA Business Pack for relaunch in the next academic year. This, together with the sale of policies and documents will give member settings the tools to deal with many of the queries that we get through Support for Settings and also help them to improve their own organisations.

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TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

We have continued to invest in our IT infrastructure including replacement of power supplies for PCs and replacement of old laptops as necessary.

We value our staff teams highly and whilst having limited funds as a charity we recognise the importance of providing staff benefits in order to improve their personal circumstances, improve professional practice and help with staff retention. Our benefits include:

- Enhanced holiday for long service (one additional day's leave during term time after 2- and 4-years continuous service)
- Christmas shopping afternoon (one half day's paid leave to be taken in October/November)
- Mid-year staff celebration payment (budget of £10 per head for all those attending an event arranged for each setting/team)
- Staff Christmas party payment (budget of £20 per head for all those attending an event arranged for each setting/team)
- Attendance at high quality CPD training events and access to NoodleNow & Flick for self-directed learning.

We continued our staff recognition programme with our Outstanding Achievement award. We will again-include annual awards in key categories to recognise the hard work and dedication of members of our PATA team.

At the beginning of September, we held our first in person, all PATA Staff Inset Day for three years due to Covid. This included Terrific Two's training and Masterclasses for PMG staff and a whole team PATA update, lunch and awards presentation. 91% of attendees rated the day overall 10 out of 10.

During the year we achieved the foundation level of the Healthy Workplace Award from Healthy Lifestyles Gloucestershire and will be invited to an awards ceremony to recognise the work required to evidence and achieve this. We were extremely pleased that the developments we have made, particularly post covid were acknowledged and put us in a good position to complete this award. As we have already achieved some of the necessary criteria, we are considering whether to progress to the Enhanced Level which only seven organisations in Gloucestershire currently hold.

We support all staff with CPD training through our own training programme, and by supporting them to access other relevant training. This year we were pleased to support Head Office and PMG staff (who are not already qualified) to complete accredited training as follows:

- 2 x Level 3 Early Years Educator (one of which was an apprentice)
- 2 x Level 3 Forest School Training
- 1 x Level 2 Certificate in Understanding Mental Health First Aid and Mental Health Advocacy in the Workplace

One staff member is enrolled on a L3 Business Administrator Apprenticeship.

One staff member is enrolled on a CIPP Payroll Technician Certificate

Three further staff are enrolled on L3 Early Years Educator programmes (two as apprentices)

One staff member is enrolled on a L5 Early Years Senior Practitioner

One staff member is enrolled on L1 and L2 SAGE payroll qualifications

All of these qualifications are due to be completed next year and the year after.

Our Wild Apricot membership database and training course management system continues to be used, and we keep abreast of system upgrades to capitalise on any further efficiency and cost savings these can bring. We are constantly updating our website and looking for ways to provide additional support and tools for both our members and our wider audience through its mobile-friendly content.

The Head Office team continue to have the option to work in a hybrid way, working half of their hours from home as well as being in the office. We continued to be a preferred and trusted source of information for our members through our regular briefings, blog posts and our email and telephone support.

PATA (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2024**

Fundraising Performance

PATA continues to source and apply for funding for specialist projects that support the development of early years and childcare settings.

Most of PATA's activities are funded through partnership contracts, nursery education funding and charges for services provided or membership fees. Traditional fundraising from the general public represents only a very small part of the charity's income and usually originates through the PATA Managed Groups where they fundraise locally for improvements to their own settings.

PATA Restructure

PATA's CEO for the last nine years, Paula Hayball, retired at the end of this academic year which created an opportunity to review PATA's organisational structure. The decision was made to appoint a new role of PMG Area Manager, to take on the day-to-day responsibility of the PMGs and become the Ofsted Nominated Individual for PATA. This then allowed the recruitment of a reduced hours CEO who can focus on growing the charity as a whole and widening charitable and business partnerships.

Consideration of factors within & outside the Charity's control

Despite new government initiatives the position within the Early Years sector has not significantly changed. It remains at crisis point primarily due to financial issues relating to the funding rates, recruitment and the National Living Wage. These are fundamental to every Early Years setting's budget and impact greatly although are completely out of individual setting's control. This is compounded by the lack of notice of funding rate changes and having to be reactive to Living Wage increases.

Low wages and the ever-increasing challenges in settings with children's increasingly demanding educational needs have been contributory factors in the recruitment crisis in the Early Years sector. Early Years relies very much on staff seeing their role as vocational and many practitioners and managers have been forced to make the difficult decision to leave the sector due to financial reasons or their own wellbeing. Repeated recruitment is costly in terms of time, money and resources, adding further financial pressure to the business.

Increased children numbers in settings, higher funding rates for two-year olds and an increase in fee rates, whilst maintaining fundraising and voluntary donation levels, has seen a 20% overall increase in PMG income. We continued to control expenditure where possible despite increasing costs to ensure viability of the settings.

We have seen more parents waiting for their children to become eligible for 3-year-old funding rather than paying for sessions while their children are still two years old. Many parents deferred their children's start dates, often at short notice, which in turn contributed to higher staff costs due to the need to retain staff to meet demand later in the academic year.

The additional bank holidays for the Queen's funeral and the subsequent King's Coronation resulted in the loss of two days parent's fees income, as the settings were forced to close, but staff wages still had to be paid.

All of these factors resulted in a significant variation between actual fee income received and the estimates in our well-established and usually accurate forecasting model for the year.

Financial review

Policy on reserves

PATA holds reserves based on a realistic assessment of need. The purpose of reserves is to provide security and stability to the association and enable PATA to meet its legal obligations in the event of having to dissolve.

It aims to keep the equivalent of six month's core running costs in unrestricted funds (in reality we have 3 months although the aim is 6 months) so that the money can be called upon in times of short-term cash flow difficulties. It aims to retain enough money to carry out its legal obligations in the event of it having to close which includes, salary payments to cover notice periods, obligations to staff for redundancy costs, any payments required to terminate leases and similar contracts.

At the end of each financial year, the CEO, Board of Trustees, and the Finance Manager review the amount of money held in reserves.

PATA (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 31 AUGUST 2024**

Consideration of Surplus/Deficit

In the financial year 2023-24 we saw an increase in our income of £100k. This came from several areas across the business. Income from PMGs was significantly higher than previously (£138k) mainly due to increased children numbers, higher funding rates for two-year olds and an increase in fee rates. Payroll income and bank interest received also increased. Training income was reduced by 55%. This was as a result of settings not having sufficient income to pay for quality CPD training and in many cases were relying on free government training. In order to make training more affordable we introduced a series of pocket-sized training sessions which proved popular but generated lower income. Again, this year we did not have any major contracts/commissions with any Local Authorities which exacerbated the problem. Support for Settings income remained unchanged. There was no income from any external project involvements; the GEM project ended in 2022.

Operating expenditure during the year increased by £22k overall. Staffing costs increased due to the necessity of keeping staff during the recruitment crisis and the large increase in National Living Wage.

In the financial period 2023-24 PATA made a deficit of £-20,634 (Financial year 2022-23: deficit of £-98,656.) Any surpluses are used to continue to support our membership and charitable aims.

Principle funding sources

PATA's income and funding sources for 2023-24 were:

- PATA Managed Groups – Nursery Education Funding and Parent Fees
- Payroll service fees (Split by member and non-member clients)
- Membership fees
- Support for Setting management services
- Individual training course fees
- Bespoke training course fees
- Morton Michel sponsorship donation
- EYITT bursary payment
- PMG fundraising and Gift Aid on fundraising donations

Funding and fees received termly for the PATA Managed Groups are used to provide nursery education for the children of each setting in line with the principles and practices of the Statutory Framework for the Early Years Foundation Stage.

A Sinking Fund of £35,000 existed towards any costs incurred from the PATA Managed Group premises we have responsibility for. There was no expenditure against this fund in 2023-24 therefore a decision was made to maintain this level and start 2024-25 with £35,000.

A Refurbishment (designated) Fund of £18,533 existed for PATA and the PATA Managed Groups towards redecoration, replacement of infrastructure, equipment and furnishings which may be needed over and above any localised fundraising efforts.

During the year we purchased a new laptop and following issues with Head Office PCs, replaced the power supply units of all PCs. We also contributed towards new sheds at Winchcombe. This totalled £3,800, leaving a balance of £14,734.

The Continuing Professional Development Training Bursary (designated fund) was created to support the training and development of members of office and PMG staff which is over and above each setting's individual training budget. This fund was used for an Inset Day at the start of the academic year for all staff to attend. Makaton training was provided for a PMG Manager, Forest School training provided for an EY Practitioner and a CIPP Payroll Technician Certificate paid for a member of the Payroll Service team. A total of £6,189 was spent, leaving a balance of £9,103.

The PATA Group Support and Development (restricted) Fund received income of £1,342 from a closing member setting. We awarded one grant for £500 to a member setting towards roof repairs. Funded a Support Officer to visit charitable member settings and covered the cost of providing 5 Network Meetings (free for members) and the BBC Tiny Happy People workshop. Total cost of £9,373, leaving a closing balance of £15,328.

PATA (UK)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

The Elmbridge Children's Centre Transition (designated) Fund is used to cover the rates cost each year. Total cost of £1,073, leaving a closing balance of £5,726.

Other grants and contracts awarded as above have enabled PATA to succeed this year in its key objectives.

Specifically, PATA has employed staff, purchased consumables, occupied an office base and five PATA Managed Group setting buildings to carry out its aims and objectives.

Auditor

In accordance with the company's articles, a resolution proposing that Griffiths Marshall be reappointed as auditor of the company will be put at a General Meeting.

The trustees' report was approved by the Board of Trustees.

N. Cranfield

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N Cranfield

Chair

Dated: *28/1/2025*

PATA (UK)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2024

The trustees, who are also the directors of PATA (UK) for the purpose of company law, are responsible for preparing the Trustees' Report and the 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 which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate accounting records that 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 the maintenance and integrity of the charity and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

PATA (UK)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF PATA (UK)

Opinion

We have audited the financial statements of PATA (UK) (the 'charity') for the year ended 31 August 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for 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 charity 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 trustees' 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 charity'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 trustees 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 trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

PATA (UK)

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF PATA (UK)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity'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

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

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 PATA (UK) and the industry in which it operates and, considered the risk of acts by Management and Trustees of PATA (UK) which were contrary to applicable laws and regulations, including fraud. These included but were not limited to compliance with the Companies Act 2006, Charities Act 2011 and Employment Law. We made enquiries of the Trustees to obtain further understanding of risks of non-compliance.

We focused on laws and regulations that could give rise to a material misstatement in the financial statements. Our tests included, but were not limited to:

- agreement of the financial statement disclosures to underlying supporting documentation;
- enquiries of management regarding known or suspected instances of non-compliance with laws and regulations;
- review of minutes of the Board meetings throughout the year; and
- obtaining an understanding of the control environment in place to prevent and detect irregularities.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

PATA (UK)

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF PATA (UK)

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Mr Greg Lewis (Senior Statutory Auditor)
for and on behalf of Griffiths Marshall**

05/02/2025
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**Chartered Accountants
Statutory Auditor**

4th Floor
Llanthony Warehouse
The Docks
Gloucester
GL1 2EH

Griffiths Marshall is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

PATA (UK)

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	Unrestricted funds general 2024 £	Unrestricted funds designated 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds general 2023 £	Unrestricted funds designated 2023 £	Restricted funds 2023 £	Total 2023 £
Income and endowments from:									
Donations and legacies	3	127	-	-	127	269	-	-	269
<u>Charitable activities</u>									
GEM Project	4	-	-	-	-	-	-	10,588	10,588
Support For Settings	4	19,343	-	1,342	20,685	22,502	-	1,730	24,232
PATA Managed Groups	4	803,530	-	20,766	824,296	666,097	-	20,033	686,130
Training & Induction Fees	4	28,371	-	-	28,371	63,636	-	-	63,636
Payroll income	5	86,990	-	-	86,990	77,419	-	-	77,419
Investments	6	4,833	-	-	4,833	2,944	-	-	2,944
Other income	7	297	-	-	297	27	-	-	27
Total income		<u>943,491</u>	<u>-</u>	<u>22,108</u>	<u>965,599</u>	<u>832,894</u>	<u>-</u>	<u>32,351</u>	<u>865,245</u>
Expenditure on:									
Charitable activities	8	931,399	13,485	33,502	978,386	907,401	13,041	38,320	958,762
Other expenditure	14	-	7,847	-	7,847	-	5,139	-	5,139
Total expenditure		<u>931,399</u>	<u>21,332</u>	<u>33,502</u>	<u>986,233</u>	<u>907,401</u>	<u>18,180</u>	<u>38,320</u>	<u>963,901</u>
Net income/(expenditure)		<u>12,092</u>	<u>(21,332)</u>	<u>(11,394)</u>	<u>(20,634)</u>	<u>(74,507)</u>	<u>(18,180)</u>	<u>(5,969)</u>	<u>(98,656)</u>
Transfers between funds		-	(1,000)	1,000	-	3,516	-	(3,516)	-
Net movement in funds	11	<u>12,092</u>	<u>(22,332)</u>	<u>(10,394)</u>	<u>(20,634)</u>	<u>(70,991)</u>	<u>(18,180)</u>	<u>(9,485)</u>	<u>(98,656)</u>

PATA (UK)

**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT**

FOR THE YEAR ENDED 31 AUGUST 2024

	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total	Unrestricted funds general	Unrestricted funds designated	Restricted funds	Total
Notes	2024 £	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £	2023 £
Reconciliation of funds:								
Fund balances at 1 September 2023	213,301	104,658	38,204	356,163	284,292	122,838	47,689	454,819
Fund balances at 31 August 2024	225,393	82,326	27,810	335,529	213,301	104,658	38,204	356,163

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

PATA (UK)

BALANCE SHEET

AS AT 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	16		34,290		50,137
Current assets					
Stocks	17	402		789	
Debtors	18	13,627		13,411	
Cash at bank and in hand		338,231		330,984	
		<u>352,260</u>		<u>345,184</u>	
Creditors: amounts falling due within one year	19	<u>(51,021)</u>		<u>(39,158)</u>	
Net current assets			301,239		306,026
Total assets less current liabilities			<u>335,529</u>		<u>356,163</u>
Income funds					
Restricted funds	22		27,810		38,204
<u>Unrestricted funds</u>					
Designated funds	23	82,326		104,658	
General unrestricted funds		<u>225,393</u>		<u>213,301</u>	
			307,719		317,959
			<u>335,529</u>		<u>356,163</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 28/1/2025

N. Cranfield

N Cranfield

Trustee

Company registration number 06541176

PATA (UK)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	1		5,778		(94,286)
Investing activities					
Purchase of tangible fixed assets		(3,364)		(17,913)	
Proceeds from disposal of tangible fixed assets		-		51	
Investment income received		4,833		2,944	
Net cash generated from/(used in) investing activities			1,469		(14,918)
Net cash used in financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			7,247		(109,204)
Cash and cash equivalents at beginning of year			330,984		440,188
Cash and cash equivalents at end of year			338,231		330,984

PATA (UK)

STATEMENT OF CASH FLOWS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

1	Cash generated from operations	2024 £	2023 £
	Deficit for the year	(20,634)	(98,656)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(4,833)	(2,944)
	(Gain)/loss on disposal of tangible fixed assets	-	163
	Depreciation and impairment of tangible fixed assets	19,210	18,905
	Movements in working capital:		
	Decrease/(increase) in stocks	387	(303)
	(Increase)/decrease in debtors	(216)	5,350
	Increase in creditors	12,894	4,787
	(Decrease) in deferred income	(1,030)	(21,588)
	Cash generated from/(absorbed by) operations	<u>5,778</u>	<u>(94,286)</u>

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2024

2 Accounting policies

Charity information

PATA (UK) is a private company limited by guarantee incorporated in England and Wales. The registered office is Chequers Bridge Centre, Painswick Road, Gloucester, GL4 6PR.

2.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006 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 (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by 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 £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

PATA has no endowment funds.

2.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Incoming resources are deferred when the associated expenditure is specified for a period after the reporting date.

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

2 Accounting policies

(Continued)

2.5 Resources expended

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

Expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Support costs are those costs incurred directly in support of expenditure on the objects of the Charity. Governance costs are those incurred in connection with the administration of the the Charity and compliance with constitutional and statutory requirements.

All resources expended are inclusive of VAT.

2.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	10%-20% of cost per annum
--------------------------------	---------------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

2.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Items held for distribution at no or nominal consideration are measured the lower of replacement cost and cost.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

2 Accounting policies

(Continued)

2.9 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

2.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	127	269

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

4 Charitable activities

	Support For Settings	PATA Managed Groups	Training & Induction Fees	Total 2024	GEM Project	Support For Settings	PATA Managed Groups	Training & Induction Fees	Total 2023
	2024	2024	2024		2023	2023	2023	2023	
	£	£	£	£	£	£	£	£	£
Income from charitable activities	-	130,985	28,371	159,356	-	-	124,952	63,636	188,588
Funding for services provided	-	672,545	-	672,545	10,588	-	541,145	-	551,733
Grants & Donations	20,685	19,599	-	40,284	-	24,232	20,033	-	44,265
Other income	-	1,167	-	1,167	-	-	-	-	-
	<u>20,685</u>	<u>824,296</u>	<u>28,371</u>	<u>873,352</u>	<u>10,588</u>	<u>24,232</u>	<u>686,130</u>	<u>63,636</u>	<u>784,586</u>
Analysis by fund									
Unrestricted funds - general	19,343	803,530	28,371	851,244	-	22,502	666,097	63,636	752,235
Restricted funds	1,342	20,766	-	22,108	10,588	1,730	20,033	-	32,351
	<u>20,685</u>	<u>824,296</u>	<u>28,371</u>	<u>873,352</u>	<u>10,588</u>	<u>24,232</u>	<u>686,130</u>	<u>63,636</u>	<u>784,586</u>

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

5 Payroll income

	Unrestricted funds general 2024 £	Unrestricted funds general 2023 £
Payroll fees from members	48,549	47,794
Payroll fees from non-members	38,441	29,625
Payroll income	<u>86,990</u>	<u>77,419</u>

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	<u>4,833</u>	<u>2,944</u>

7 Other income

	2024 £	2023 £
Net loss on disposal of tangible fixed assets	-	(163)
Other income	297	190
	<u>297</u>	<u>27</u>

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

8 Charitable activities

	Support for Settlings 2024 £	PATA Managed Groups 2024 £	Training Project 2024 £	Payroll Project 2024 £	Total 2024 £	Total 2023 £
Staff costs	37,407	652,808	36,080	60,947	787,242	749,479
Depreciation and impairment	1,481	13,171	1,937	2,621	19,210	18,905
Restricted direct costs	1,553	-	-	-	1,553	7,015
Bad debt expense	-	-	-	-	-	2,066
Project costs	745	38,700	459	6,691	46,595	41,846
External tutors	-	-	12,411	-	12,411	28,197
	<u>41,186</u>	<u>704,679</u>	<u>50,887</u>	<u>70,259</u>	<u>867,011</u>	<u>847,508</u>
Grant funding of activities (see note 9)	850	-	-	-	850	1,000
Share of support costs (see note 10)	12,616	45,611	16,498	22,320	97,045	100,190
Share of governance costs (see note 10)	1,752	6,336	2,292	3,100	13,480	10,064
	<u>56,404</u>	<u>756,626</u>	<u>69,677</u>	<u>95,679</u>	<u>978,386</u>	<u>958,762</u>
Analysis by fund						
Unrestricted funds - general	45,635	724,703	67,852	93,209	931,399	
Unrestricted funds - designated	1,396	7,794	1,825	2,470	13,485	
Restricted funds	9,373	24,129	-	-	33,502	
	<u>56,404</u>	<u>756,626</u>	<u>69,677</u>	<u>95,679</u>	<u>978,386</u>	

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

9 Grants payable

	Support For Settings 2024 £	Support For Settings 2023 £
Grants to institutions:		
Other	850	1,000

10 Support costs

	Support costs £	Governance costs £	2024 £	2023 £
Rent	41,568	-	41,568	45,146
Copier charges & leasing	2,821	-	2,821	3,927
Telephone	6,706	-	6,706	6,599
Postage & stationery	6,017	-	6,017	5,623
IT Support	14,247	-	14,247	12,210
Repairs & premises costs	12,505	-	12,505	12,214
Conferences & training	226	-	226	546
Insurance	7,469	-	7,469	7,385
Memberships & subscriptions	1,861	-	1,861	2,275
Sundry costs	3,625	-	3,625	4,265
Audit fees	-	7,440	7,440	4,958
Accountancy	-	3,284	3,284	2,533
Legal and professional	-	757	757	701
Bank charges	-	1,999	1,999	1,872
	97,045	13,480	110,525	110,254
Analysed between				
S4S	12,616	1,752	14,368	16,539
PMG	45,611	6,336	51,947	51,820
Training	16,498	2,292	18,790	17,640
Payroll	22,320	3,100	25,420	24,255
	97,045	13,480	110,525	110,254

11 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	7,440	4,958
Depreciation of owned tangible fixed assets	19,210	18,905
Loss on disposal of tangible fixed assets	-	163

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2024

12 Trustees

Trustees were reimbursed for expenses of £nil in the year (2023 - £55.33). Gifts were purchased for Trustees in the year totalling £20.40 (2023 - £nil).

13 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Office Based Staff	19	19
PATA @ Elmbridge Under Fives	12	10
PATA @ Penguins	6	6
PATA @ Tiny Tots	5	5
PATA @ Funbusters	7	6
PATA @ Siddington & Kemble	2	3
PATA @ Winchcombe	7	5
Total	58	54

Employment costs	2024 £	2023 £
Wages and salaries	736,076	706,510
Social security costs	38,760	32,618
Other pension costs	12,406	10,351
	787,242	749,479

There were no employees whose annual remuneration was £60,000 or more.

Remuneration of key management personnel

The remuneration of the 3 key management personnel (2023 - 3), is as follows:

	2024 £	2023 £
Aggregate compensation	125,043	125,261
	125,043	125,261

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

14 Other expenditure

	Unrestricted designated funds 2024	Unrestricted designated funds 2023
ECC Transition fund	1,073	1,101
CPD fund	6,188	3,639
Refurb fund	586	399
	<u>7,847</u>	<u>5,139</u>

15 Taxation

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

16 Tangible fixed assets

	Fixtures, fittings & equipment £
Cost	
At 1 September 2023	183,071
Additions	3,364
	<u>186,435</u>
At 31 August 2024	
Depreciation and impairment	
At 1 September 2023	132,935
Depreciation charged in the year	19,210
	<u>152,145</u>
At 31 August 2024	
Carrying amount	
At 31 August 2024	<u>34,290</u>
At 31 August 2023	<u>50,137</u>

17 Stocks

	2024 £	2023 £
Finished goods and goods for resale	<u>402</u>	<u>789</u>

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

18 Debtors

	2024	2023
	£	£
Amounts falling due within one year:		
Trade debtors	4,761	5,318
Other debtors	795	-
Prepayments and accrued income	8,071	8,093
	<u>13,627</u>	<u>13,411</u>

19 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Other taxation and social security		11,161	9,919
Deferred income	20	4,665	5,695
Trade creditors		2,515	4,225
Other creditors		5,469	115
Accruals		27,211	19,204
		<u>51,021</u>	<u>39,158</u>

20 Deferred income

	2024	2023
	£	£
Movements in the year:		
Deferred income at 1 September 2023	5,695	27,283
Released from previous periods	(5,695)	(27,283)
Resources deferred in the year	4,665	5,695
	<u>4,665</u>	<u>5,695</u>
Deferred income at 31 August 2024		

The trustees consider the above grants and funding as deferred income on the basis the entitlement to the income does not exist at the balance sheet date. Instead, deferred income is disclosed as a liability in the balance sheet.

Deferred income comprises of £4,665 (2023 - £5,695) received for trainings courses due to be completed after the reporting date.

21 Retirement benefit schemes

	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>12,406</u>	<u>10,351</u>

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 AUGUST 2024***

21 Retirement benefit schemes

(Continued)

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Movement in funds				Movement in funds				
	Balance at 1 September 2022	Incoming resources	Resources expended	Transfers	Balance at 1 September 2023	Incoming resources	Resources expended	Transfers	Balance at 31 August 2024
	£	£	£	£	£	£	£	£	£
EYPP (Pupil Premium)	6,469	8,675	(9,634)	-	5,510	10,699	(10,543)	-	5,666
Fundraising	8,287	6,355	(7,568)	-	7,074	8,400	(11,359)	1,000	5,115
Group Support & Development Fund	28,579	1,730	(6,950)	-	23,359	1,342	(9,373)	-	15,328
GEM Project	4,354	10,588	(11,426)	(3,516)	-	-	-	-	-
HSBC Grant	-	5,004	(2,743)	-	2,261	-	(560)	-	1,701
Build Back Better Grant	-	-	-	-	-	500	(500)	-	-
EYITT Funding	-	-	-	-	-	1,167	(1,167)	-	-
	<u>47,689</u>	<u>32,352</u>	<u>(38,320)</u>	<u>(3,516)</u>	<u>38,204</u>	<u>22,108</u>	<u>(33,502)</u>	<u>1,000</u>	<u>27,810</u>

Please refer to the Trustee Report for additional information.

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

23 Designated funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Balance at 1 September 2022	Resources expended	Balance at 1 September 2023	Resources expended	Transfers	Balance at 31 August 2024
	£	£	£	£	£	£
Sinking fund	35,000	-	35,000	-	-	35,000
Refurbishment fund	61,007	(13,440)	47,567	(14,070)	(1,000)	32,497
ECC Transition fund	7,900	(1,101)	6,799	(1,073)	-	5,726
CPD fund	18,931	(3,639)	15,292	(6,189)	-	9,103
	<u>122,838</u>	<u>(18,180)</u>	<u>104,658</u>	<u>(21,332)</u>	<u>(1,000)</u>	<u>82,326</u>

Please refer to the Trustee Report for additional information on the funds.

24 Analysis of net assets between funds

	Unrestricted funds 2024	Designated funds 2024	Restricted funds 2024	Total Unrestricted funds 2024	Designated funds 2023	Restricted funds 2023	Total
	£	£	£	£	£	£	£
Fund balances at 31 August 2024 are represented by:							
Tangible assets	6,743	18,510	9,037	34,290	9,926	29,788	50,137
Current assets/(liabilities)	218,650	63,816	18,773	301,239	203,375	74,870	306,026
	<u>225,393</u>	<u>82,326</u>	<u>27,810</u>	<u>335,529</u>	<u>213,301</u>	<u>104,658</u>	<u>356,163</u>

PATA (UK)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2024

25 Operating lease commitments

Lease

At the reporting end date the lease payment for Elmbridge Children's Centre for 2022-23 and 2023-24 had not been invoiced for by GCC whilst the lease was under review. Expected lease payment due for each financial year were £8,800 per annum, which has been included in accruals. As the lease is still under review, no commitment has been made for future periods that requires disclosure.

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases agreed verbally for the Winchombe setting, which fall due as follows:

	2024 £	2023 £
Within one year	3,960	-
Between two and five years	15,840	-
In over five years	15,840	-
	<hr/>	<hr/>
	35,640	-
	<hr/>	<hr/>

26 Related party transactions

During the year the charity charged fee income to a related party of £2,131 (2023 - £nil). At the reporting period end, £329 was owed to the charity (2023 - £nil).