

GISLINGHAM PLAYGROUP

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 JULY 2020

## GISLINGHAM PLAYGROUP

### LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	Kelsey Holden	(Appointed 27 August 2020)
	Rachel Cummins	(Appointed 27 August 2020)
	J M Holmes	(Appointed 27 August 2020)
	Hayley Seeley	(Appointed 27 August 2020)
	Paul Collins	(Appointed 27 August 2020)
	Denise Carle	(Appointed 27 August 2020)

**Charity number** 1158570

**Principal address** The Chalet  
Lodge Farm  
Walsham Road, Finningham  
Stowmarket  
Suffolk  
IP14 4JQ

**Independent examiner** Waveney Accountants Limited  
T/as Newman & Co  
Chartered Accountants  
4b Church Street  
Diss  
Norfolk  
IP22 4DD

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	<b>Page</b>
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 10

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## GISLINGHAM PLAYGROUP

### TRUSTEES' REPORT

#### FOR THE YEAR ENDED 31 JULY 2020

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The trustees present their report and financial statements for the year ended 31 July 2020.

The trustees present their report with the financial statements of the charity for the year ended 31 July 2020. The trustees have adopted the provisions of 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).

#### **Objectives and activities**

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

- Offering appropriate play, education and care facilities, family learning and extended hours of play, together with the right of parents to take responsibility for and to become involved in the activities of such groups. Ensuring that such group offer opportunities for all children whatever their race, culture, religion and means of ability.
- Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local areas.
- Instigating and adhering to and furthering the aims and objectives of the Pre-school Learning Alliance.

#### **Public benefit**

The trustees have had regard to the guidance issued by the Charity Commission on public benefit.

#### **Volunteers**

A great contribution is made by member volunteers. The success of the playgroup is due, in part, to a valuable contribution of time, energy and expertise from trustees,

#### **Achievements and performance**

##### **Charitable activities**

The nature of the pre-school settings is to lose children to mainstream schooling annually. Gislingham Playgroup has been very successful in promoting its community service to fill the gaps in numbers to almost capacity. This has been achieved by word-of-mouth in the main due to parents' satisfaction with childcare offered.

Gislingham Playgroup has faced a challenging year due to Covid-19 having to close for three months.

We re-opened in June two full days a week and then three full days per week, with cleaning being carried out in between 8 out of 30 children didn't come in.

We unfortunately had to cancel the Easter Egg Hunt, the Flower Festival and Summer Fayre were also cancelled.

Committee meetings have been carried out via Zoom.

##### **Fundraising activities**

All fundraising activities encourage the sharing of skills and ideas of committee members, parents, grandparents and provide healthy social interactions across all ages in the community.

The social occasions provide an opportunity to promote and celebrate the achievements of the children in the setting and engage the support and interest of the local village and wider community.

#### **Financial review**

£10,000 is held in an interest generating account in order to meet any unforeseen expenditure that may occur (redundancies in a worst-case scenario).

#### **Principal funding sources**

Fee income and grants have made up the main source of funding.

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.

GISLINGHAM PLAYGROUP

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

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**Structure, governance and management**

The charity is controlled by its governing document, a deed of covenant and constitutes an unincorporated charity.

There is a Child Protection Policy in place.

Criminal Records Bureau checks are carried out prior to commencement of employment or trusteeship.

The charity is subject to regular inspection by Office for Standards in Education (Ofsted).

The group is affiliated to the Pre-School Learning Alliance.

There are contingency funds reserved for worst-case scenario i.e closure of playgroup and redundancy staff payments.

The trustees who served during the year and up to the date of signature of the financial statements were:

J Gidney	(Resigned 27 August 2020)
A Harvey	(Resigned 27 August 2020)
L Collins	(Resigned 27 August 2020)
K Beards	(Resigned 27 August 2020)
Kelsey Holden	(Appointed 27 August 2020)
Rachel Cummins	(Appointed 27 August 2020)
J M Holmes	(Appointed 27 August 2020)
Hayley Seeley	(Appointed 27 August 2020)
Paul Collins	(Appointed 27 August 2020)
Denise Carle	(Appointed 27 August 2020)

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

.....

**Paul Collins**

Trustee

Dated: .....

I report to the trustees on my examination of the financial statements of Gislingham Playgroup for the year ended 31 July 2020.

**Responsibilities and basis of report**

As the trustees of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 (the 2011 Act).

I report in respect of my examination of the charity's financial statements carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**Independent examiner's statement**

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

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

- 1 accounting records were not kept in respect of the charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

W.T.Goddard FCCA ACA CTA  
Waveney Accountants Limited  
T/as Newman & Co  
Chartered Accountants  
4b Church Street  
Diss  
Norfolk  
IP22 4DD

Dated: .....

GISLINGHAM PLAYGROUP

STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<b><u>Income and endowments from:</u></b>			
Donations and legacies	3	48,057	50,953
Charitable activities	4	13,098	15,015
Other trading activities	5	2,068	1,169
Investments	6	101	-
Other income	7	-	17
		<hr/>	<hr/>
<b>Total income</b>		63,324	67,154
		<hr/>	<hr/>
<b><u>Expenditure on:</u></b>			
Nursery	8	64,856	65,567
		<hr/>	<hr/>
<b>Net (expenditure)/income for the year/ Net movement in funds</b>		(1,532)	1,587
Fund balances at 1 August 2019		23,694	22,107
		<hr/>	<hr/>
<b>Fund balances at 31 July 2020</b>		22,162	23,694
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

GISLINGHAM PLAYGROUP

BALANCE SHEET

AS AT 31 JULY 2020

	Notes	2020 £	£	2019 £	£
<b>Current assets</b>					
Debtors	11	7		26	
Cash at bank and in hand		25,487		23,911	
		<u>25,494</u>		<u>23,937</u>	
<b>Creditors: amounts falling due within one year</b>	12	(3,332)		(243)	
Net current assets			22,162		23,694
<b>Income funds</b>					
Unrestricted funds			22,162		23,694
			<u>22,162</u>		<u>23,694</u>

The financial statements were approved by the Trustees on .....

.....  
Paul Collins  
**Trustee**

## **1 Accounting policies**

### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the charity's [governing document], the Charities Act 2011 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a true and fair view. This departure has involved following the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

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.

### **1.2 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.

### **1.3 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 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

### **1.4 Income**

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.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

### **1.5 Expenditure**

Expenses are included in the financial statements as they become receivable or due. Expenses include VAT where applicable as the company cannot reclaim it.

### **1.6 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.

**1 Accounting policies**

**(Continued)**

**1.7 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.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

**2 Critical accounting estimates and judgements**

In the application of the charity's accounting policies, the trustees are required to make judgements, 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.

GISLINGHAM PLAYGROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

**3 Donations and legacies**

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2020</b>	2019
	<b>£</b>	£
Donations and gifts	893	1,475
Grants	47,164	49,478
	<u>48,057</u>	<u>50,953</u>

**4 Charitable activities**

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2020</b>	2019
	<b>£</b>	£
Nursery fees	13,098	15,015
	<u>13,098</u>	<u>15,015</u>

**5 Other trading activities**

	<b>Unrestricted funds</b>	Unrestricted funds
	<b>2020</b>	2019
	<b>£</b>	£
Fundraising events	2,068	1,169
	<u>2,068</u>	<u>1,169</u>

**6 Investments**

	<b>Unrestricted funds</b>	Total
	<b>2020</b>	2019
	<b>£</b>	£
Interest receivable	101	-
	<u>101</u>	<u>-</u>

GISLINGHAM PLAYGROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

**7 Other income**

	<b>Total</b>	<b>Unrestricted funds</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Other income	-	17
	<u>          </u>	<u>          </u>

**8 Chaitable Expenditure**

	<b>Unrestricted funds</b>	<b>Unrestricted funds</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages	48,912	50,790
Pension	1,260	1,030
Water/electric	1,045	1,914
Telephone	1,049	1,040
Postage and stationery	199	181
Advertising	375	225
Sundries	256	381
Rent	3,099	3,093
Equipment/toys	4,495	1,416
Ofsted/CRB	277	374
Maintenance and insurance	991	1,151
Staff course	564	544
School lunches	1,715	3,116
Website	-	12
Uniform	259	-
	<u>          </u>	<u>          </u>
	64,496	65,267
Share of support costs (see note )	360	300
	<u>          </u>	<u>          </u>
	64,856	65,567
	<u>          </u>	<u>          </u>

**9 Trustees**

There were no trustees' remuneration or other benefits for the year ended 31 July 2020 nor for the year ended 31 July 2019.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 July 2020 nor for the year ended 31 July 2019.

GISLINGHAM PLAYGROUP

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2020

**10 Employees**

The average monthly number of employees during the year was:

<b>2020</b>	<b>2019</b>
<b>Number</b>	<b>Number</b>
5	5
<u>5</u>	<u>5</u>

**11 Debtors**

	<b>2020</b>	<b>2019</b>
<b>Amounts falling due within one year:</b>	<b>£</b>	<b>£</b>
Trade debtors	7	26
	<u>7</u>	<u>26</u>

**12 Creditors: amounts falling due within one year**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Payments received on account	183	-
Trade creditors	2,789	243
Accruals and deferred income	360	-
	<u>3,332</u>	<u>243</u>

**13 Related party transactions**

There were no disclosable related party transactions during the year (2019 - none).