

**Trustees' annual report for period 1 September 2021 to 31 August 2022**  
**Charity name: St Peter's Playgroup Charity registration number: 1167833**



**Names of trustees who manage the charity**

Trustee name	Office	Report agreed
Mrs Vivien Farrell	Trustee	Agreed by email
Mrs Brenda Harris	Trustee	Agreed by email
Mrs Anne Herbert	Trustee	Agreed by email
Mrs Gillian Keene	Trustee	Agreed by email
Mrs Hayley Kingsnorth	Trustee / treasurer	Agreed by email

## **Summary of the purposes of the charity**

Regarding the purpose of St Peter's Playgroup, the Trustees fully endorse the following as stated in the governing document:

“For the public benefit to enhance the development and education of children primarily under statutory school age by encouraging parents / carers to understand and provide for the needs of their children through community groups and by:

(a) offering appropriate play, education and care facilities, family learning and extended hours groups, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children irrespective of their race, culture, religion, means or ability

(b) 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 area.”

## **Principles, objectives and ethos of St Peter's Playgroup**

St Peter's Playgroup is a preschool originally established in 1983 by parishioners of the Church of the Sacred Heart Sittingbourne and was in fact a parish group before becoming independent then taking charitable status. The main objective of playgroup is that children from the local community should come and enjoy themselves whilst learning irrespective of background or financial means. The trustees are proud of the fact that playgroup always meets this objective. St Peter's Playgroup has always endeavoured to have the lowest fees (for those not eligible for government funding) in the local area.

Access has always been offered to any child in the local community irrespective of race, culture, religion, means or ability. The playgroup management, trustees, staff and volunteers are proud of playgroup's record of helping parents / carers to successfully prepare their children for transfer to primary school reception class.

St Peter's Playgroup delivers education and support as specified by the National Foundation Stage Curriculum. Playgroup is fortunate to have highly qualified and experienced staff who enable this commitment to be met.

Parents / Carers are supported throughout the process by being kept up to date with the achievements / progress of their child. If necessary, any area of concern regarding progress or welfare is reviewed with them and when appropriate, guidance is given regarding where and how further support can be provided.

The trustees are pleased to report that all feedback received from parents / carers has been positive and that there is frequent repeat business with siblings coming to playgroup. There is a good relationship with primary schools who have also made positive comments regarding the readiness of children for reception class.

All staff, volunteers and trustees have had appropriate data barring service (DBS) checks that are kept up to date. The staff that look after the children receive appropriate training as required. There is also appropriate safeguarding, data protection and management policies in place.

The trustees are proud of the fact that no child has ever been refused enrolment to St Peter's Playgroup on any grounds including special needs or financial difficulties. A concession that playgroup makes to parents / carers with children that are two years old, is that, unlike many preschool settings no fee is charged if the child cannot attend their usual session. The manager also has the discretion to take a flexible approach where a family is in obvious financial difficulty. Such circumstances are reported verbally to the trustees however the identity of those involved is never disclosed.

## **Summary of the main activities and achievements**

### **Overview of service delivered**

There has been a full programme of activities for the children. The staff have worked hard and the records show that every child has made progress towards achieving their potential. The aims of playgroup are to help children develop in a number of areas as set out in the national foundation stage curriculum. We are pleased to report that every child has made progress with what they can do whilst developing from an individual to being able to take part in group activities. Most importantly they all do this whilst playing and having fun. We have qualified, experienced and professional staff who are good at both putting individual childcare plans into operation and identifying areas where help may be needed. The staff and the parents / carers are to be thanked for their patience and support through this difficult period.

We are pleased to report that playgroup has still been able to accommodate children with Special Educational needs (SEN) despite the fact that "One to One" funding is no longer available. The staff are to be congratulated and thanked for their work in supporting those most in need.

One interesting aspect of our work was meeting the challenge of having a number of children whose first language is not English. It is pleasing to report that they have all progressed well and enjoyed playing and learning as part of the group. It is noted however that the numbers on the role have reduced since the period of Covid and the leaving of the European Union.

Parents / Carers are supported throughout the process by being kept up to date with the achievements / progress of their child. Records are kept of each child's progress that are the property of the parent / carer, this allows them to see how their child is progressing in terms of both ability and maturity. When necessary, any area of concern regarding progress or welfare is reviewed with the parent(s) / carer(s) and when appropriate, guidance is given regarding whether or not further support is needed and how it will be provided.

Parents and Carers wishing their child to enrol with playgroup are invited to visit with the child first to ensure that the setting meets their needs. When first enrolled the child's parent(s) / carer(s) are invited to stay until the child has settled, this usually is a very short time as we find that children settle in quickly.

In September 2021, 14 children transferred successfully to primary school and we have had good feedback that they settled in quickly and happily to school life.

We are fortunate that our landlord the parish of the Church of the Sacred Heart, Sittingbourne has created an outdoor area for playgroup use that has improved our facilities considerably. All at playgroup (especially the children) thank the parish for their generosity.

### **Issues that have arisen during the year under review**

Our staffing levels over the past year have been a concern as playgroup has experienced a period of higher than usual staff turn-over. The trustees are working hard to resolve this issue. In May 2021 the trustees agreed with the manager that she should employ a deputy who would job share whilst the manager undertook a year's enhanced training. The deputy identified by the manager had a teaching qualification however it was noted that she had worked mainly with older children. An experienced playgroup Early Years Practitioner was also employed to support the new deputy.

In September 2021 the trustees became uneasy regarding no improvement in staff morale and the continuing wish for the manager to promote the move to another premises. A meeting was held to discuss the manager's proposal and it was pointed out that no business case had been presented by the manager and that feedback from staff indicated safety concerns. It was the view of the trustees that such a venture was not viable. The proposal for the move was therefore rejected.

In early October an anonymous letter was received by the trustees raising serious concerns regarding the management of the day-to-day operations of playgroup and staff morale. The letter was raised confidentially with the manager by a nominated trustee. The manager was invited to meet with the trustees to discuss and a meeting arranged. However the manager challenged the staff and attempted to identify who wrote the letter. The staff member who wrote the letter (the whistle-blower) immediately identified herself to the manager (to avoid others being accused) who responded by telling the whistle-blower not to come in on the following day and not to bring in her child. This meant that her child missed the harvest festival playgroup event. Unfortunately the trustees were unaware of this decision until the afternoon of the day after this meeting otherwise would have intervened. The manager was offered a move to a non-managerial post but did not respond. On the evening of the trustees meeting later that week an apology for absence was received from the manager shortly before the meeting was due to start. At the meeting consideration was given to the issue and actions were agreed, however, the following day the resignation of both the manager and the deputy manager were received and accepted.

Subsequently an acting manager (Mrs Jennifer Willson) and deputy (Ms Lillie Mae-Pettit) were appointed by the trustees. They have both attended trustees-meetings regularly and made significant progress with resolving the issues left by the previous management regime and are to be congratulated. Both were formally appointed to their posts in December 2021. It is noted that staff morale has improved significantly.

Amongst the issues identified by the new manager / deputy was that necessary work regarding OFSTED requirements had been neglected and that the number of two-year old children had declined since the manager had apparently, without the knowledge of the trustees, told parents / carers that the hourly rate for two-year olds was £8.00 (not the agreed rate of £5.00). The enrolment of two-year olds is required to maintain financial stability as they are essential to raising income in September when the older children transfer to primary school. The financial report highlights the loss of income from fees later in this report.

Due to the impact of the issues described above it was necessary to report the incidents to OFSTED and an inspection was held in January 2022. Unsurprisingly given the problems experienced it identified some improvements in management areas however childcare and customer satisfaction were rated good. It is pleasing to report that at the time of writing a further OFSTED inspection has been carried out with the result of a grading of good in all areas. Jennifer, Lillie-Mae and the team are to be thanked and congratulated for their excellent work and all the effort that they have put in to bring playgroup back to where it should be.

## **Challenges**

The challenges faced by trustees, management and staff of playgroup have been many over the period under review, the need to support those children with special educational needs (SEN) despite the withdrawal of funding for "one to one" assistance and the inadequate government funding rate (for qualifying children) are a major concern as both these issues present long-term risks to the charity's viability. The government claims to be providing free childcare, however this is not the case as staff are underpaid for the work that they do and playgroup relies on unpaid volunteers to carry out many back-office tasks. Additionally, the increasing bureaucratic demands placed on childcare settings to manage the SEN process and the demands of the regulatory systems has added significantly to the effort required to meet commitments. As a result of the above there is a shortage of experienced qualified staff in the childcare industry that may impact significantly on playgroup in the future.

## **Thank you to the staff and our community**

St Peter's Playgroup is fortunate to have reliable and conscientious staff and volunteers all of whom give a significant amount of unpaid time to ensure successful outcomes for playgroup activities. These include staff getting in early to prepare the hall, staying after sessions to pack away and in their own time preparing activities for the children. The staff are to be congratulated for their conscientious approach, commitment and their innovative ideas which help to provide a rich and stimulating programme of activities for the children.

The trustees would also like to thank the parents and carers for their positive contribution to group activities without this it would not be possible for playgroup to function effectively. The feedback from parents / carers and their involvement in activities helps playgroup to achieve one of its primary goals of contributing to the local community.

## **OFSTED inspections**

### **The results of the OFSTED inspections carried out during the calendar year 2022.**

The first was carried out on 13 January 2022 and was required following the issues raised by the staff. The second inspection was carried out on 7 December 2022 and the improvements highlight the excellent work carried out by the new manager and her team with all areas found to be good.

The trustees congratulate all involved in achieving the improvement.

### **Office for Standards in Education (OFSTED) inspection**

**Inspection of St Peter's Playgroup**  
**The O'Sullivan Centre Sacred Heart Church,**  
**63 West Street, Sittingbourne,**  
**Kent ME10 1AN**

<b>Inspection date: 13 January 2022</b>	<b>Inspection date: 7 December 2022</b>
<b>Overall effectiveness Requires improvement</b>	<b>Overall effectiveness Good</b>
<b>The quality of education Requires improvement</b>	<b>The quality of education Good</b>
<b>Behaviour and attitudes Good</b>	<b>Behaviour and attitudes Good</b>
<b>Personal development Good</b>	<b>Personal development Good</b>
<b>Leadership and management, requires improvement</b>	<b>Leadership and management Good</b>

### **St Peter's Playgroup Financial Review**

The Playgroup account ended the accounting year with a balance of £16,579 compared to an end balance of £32,665 in the previous accounting year. It is noted that there has been a reduction in fees of £26,152.

Inflation continues to be a major concern along with inadequate government funding however the playgroup manager and staff are to be congratulated for reducing wages costs by over £6,000.

A summary of the audited accounts with the independent examiners report (completed by Lyndens Accountants [ Kent] Ltd) is provided in Appendix 1.

#### **Summary of income and expenditure 2021 / 2022**

	<b>Income</b>		<b>Expenditure</b>	
	Government funding, Fees and Special Needs Support	£72,739	Wages	£70,651
	Sponsorship and donations	£2,244	Rent	£10,450
	Sundries, teas, raffles	£2116	Supplies	£8,687
	interest	1	Renewables, Course Fees, Equipment, Insurance, Professional Fees, Marketing etc.	£3,398
	<b>Total Receipts*</b>	£77,100	<b>Total Expenditure*</b>	£93,186

**\*Note: Totals rounded to nearest pound.**

The financial year 1 September 2021 to 31 August 2022 was another difficult year due to the after effects of the interruption to normal activities resulting from the impact of Covid restrictions. However, trustees and staff have worked hard to mitigate the issues. The previously reported concerns, in particular high staff turnover, loss of income due to fewer children attending playgroup and lack of opportunity to attract new children to playgroup continued.

In October 2021 a change of management occurred that helped identify a number of problems that were impacting on our income streams. In particular the discovery that it appeared that the previous manager may have discouraged the enrolment of two-year old children by (without agreement of the trustees) increasing the hourly rate charged to parents / carers to £8 from the previous rate of £5 (with no charge for non-attendance). Two-year old enrolment is essential to playgroup as it provides future government fee paid attendance. Without two-year old fees playgroup is underfunded when the older children transfer to primary school in September.

It was also reported that a serious error had occurred during the previous management regime when required documentation had not been submitted to Kent County Council during the headcount process. Whilst work was carried out with KCC to resolve this issue it is not known how much impact this had on income as this issue was not reported to the trustees by the previous manager. It was also evident that the marketing of playgroup had been ineffective prior to the appointment of the new manager and deputy.

### **St Peter's Playgroup Financial Review (continued)**

The manager Mrs Willson and her deputy Ms Lillie-Mae Pettit working with the team and the trustees has improved the marketing of playgroup significantly. Additionally, a more effective and cost conscious regime has been implemented. This is demonstrated by the reduction in the cost of wages by over £6,000 despite the increase in the living wage and having to manage more children than under the previous management regime. They are to be congratulated.

The trustees would like to thank the parents / carers for their support and donations, in particular, Mrs Debbie Pettit whose fund-raising activities contributed over £1,600 to playgroup funds.

A number of issues are being monitored by Mrs Kingsnorth and deputy treasurer Mrs Farrell including the increasing cost of wages / staff training as well as the inadequate government funding that has not kept pace with inflation. The government expects childcare settings to make up the difference between the funded rate and a viable rate by charging parents / carers for other services (for example, provision of meals, nappy changing etc.). There is of course a limit to how much income you can raise this way. For example, the increasing rate of inflation impacts on parents / carers ability to pay and playgroup's ability to charge a realistic rate for these services. The loss of "one to one" funding for children with special needs is a major problem as staff costs are so high.

The coming financial year will be challenging with increasing costs due to inflation, the inadequate government funding and the many issues impacting on all aspects of childcare could result in playgroup ceasing to be able to continue to provide the service to the community that has been available for over 40 years. However, with the current team of committed professionals it is possible that we may overcome these challenges and build again for the future.

The trustees wish to thank the staff and volunteers who did all they could to reduce the financial burden by volunteering their services free of charge for session preparation and back-office activities. Without this support playgroup would not be viable.

## Appendix 1

### St Peter's Playgroup Financial Summary and

### Independent Examiners report

### Financial Year

1 September 2021 to 31 August 2022





CHARITY COMMISSION  
FOR ENGLAND AND WALES

St. Peter's Playgroup

1167833

## Receipts and payments accounts

CC16a

For the period from	01/09/2021	To	31/08/2022
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### Section A Receipts and payments

	Unrestricted funds to the nearest £	Restricted funds to the nearest £	Endowment funds to the nearest £	Total funds to the nearest £	Last year to the nearest £
<b>A1 Receipts</b>					
Fees	72,739	-	-	72,739	98,891
HMS Milk	-	-	-	-	-
Special Needs Support	-	-	-	-	-
Sponsorship and Donations	2,244	-	-	2,244	571
Teas and Raffles	-	-	-	-	-
Sundries	2,116	-	-	2,116	6,792
Interest	1	-	-	1	-
<b>Sub total</b> (Gross income for AR)	77,100	-	-	77,100	106,254
<b>A2 Asset and investment sales, (see table).</b>					
	-	-	-	-	-
<b>Sub total</b>	-	-	-	-	-
<b>Total receipts</b>	77,100	-	-	77,100	106,254
<b>A3 Payments</b>					
Wages	70,651	-	-	70,651	76,816
Rent	10,450	-	-	10,450	10,380
Supplies	8,687	-	-	8,687	6,530
Insurance	419	-	-	419	370
Course Fees	300	-	-	300	1,376
Renewables	-	-	-	-	-
Sundries	1,346	-	-	1,346	1,575
PPS and Advertising	237	-	-	237	832
Legal and Professional	1,096	-	-	1,096	1,730
<b>Sub total</b>	93,186	-	-	93,186	99,609
<b>A4 Asset and investment purchases, (see table)</b>					
	-	-	-	-	-
<b>Sub total</b>	-	-	-	-	-
<b>Total payments</b>	93,186	-	-	93,186	99,609
<b>Net of receipts/(payments)</b>	16,086	-	-	16,086	6,645
<b>A5 Transfers between funds</b>	-	-	-	-	-
<b>A6 Cash funds last year end</b>	32,665	-	-	32,665	26,020
<b>Cash funds this year end</b>	16,579	-	-	16,579	32,665

### Section B Statement of assets and liabilities at the end of the period

Categories	Details	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
<b>B1 Cash funds</b>				
	Bank	16,507	-	-
CCXX R1 accounts (SS)	Petty Cash 1	417	-	08/12/2022 -

Trustees' annual report for period 1 September 2021 to 31 August 2022  
Charity name: St Peter's Playgroup Charity registration number: 1167833

Debtors	-	-	-
Creditors	345	-	-
<b>Total cash funds</b>	<b>16,579</b>	-	-

(agree balances with receipts and payments account(s))

	Unrestricted funds to nearest £	Restricted funds to nearest £	Endowment funds to nearest £
<b>B2 Other monetary assets</b>			
Details			
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-
	-	-	-

	Fund to which asset belongs	Cost (optional)	Current value (optional)
<b>B3 Investment assets</b>			
Details			
		-	-
		-	-
		-	-
		-	-
		-	-

	Fund to which asset belongs	Cost (optional)	Current value (optional)
<b>B4 Assets retained for the charity's own use</b>			
Details			
		-	-
		-	-
		-	-
		-	-
		-	-
		-	-
		-	-
		-	-

	Fund to which liability relates	Amount due (optional)	When due (optional)
<b>B5 Liabilities</b>			
Details			
Independent Examiners Fee Accrual		240	
		-	
		-	
		-	
		-	

Signed by one or two trustees on behalf of all the trustees

Signature	Print Name	Date of approval
<i>Vivien M Farrell</i>	VIVIEN FARRELL	29/4/23



**CHARITY COMMISSION  
FOR ENGLAND AND WALES**

**Independent examiner's  
report on the accounts**

**Section A**

**Independent Examiner's Report**

**Report to the trustees/  
members of**

St Peter's Playgroup

**On accounts for the year  
ended**

31<sup>st</sup> August 2022

**Charity no  
(if any)**

1167833

**Set out on pages**

1-2

to include the page

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/08/2020.

**Responsibilities and  
basis of report**

As the charity trustees of the Trust, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ("the Act").

I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

**Independent  
examiner's statement**

I have completed my examination. I confirm that no material matters have come to my attention (other than that disclosed below \*) in connection with the examination which gives me cause to believe that in, any material respect:

- accounting records were not kept in accordance with section 130 of the Act or
- the accounts do not accord with the accounting records

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

\* Please delete the words in the brackets if they do not apply.

**Signed:**

*Jane Henning*

**Date:**

08/12/2022

**Name:**

Jane Henning

**Relevant professional  
qualification(s) or body  
(if any):**

LYNDENS  
accountants

**Address:**

53 WEST STREET  
SITTINGBOURNE  
KENT, ME10 1AN  
TEL: 01795 422565

**Section B**

**Disclosure**

Only complete if the examiner needs to highlight matters of concern (see CC32, Independent examination of charity accounts: directions and guidance for examiners).

**Give here brief details of any items that the examiner wishes to disclose.**