



## **Ducklings Preschool Creaton CIO – Annual Statement**

This statement refers to and reflects the first financial report submitted for Ducklings Preschool Creaton CIO. The period 1 February 2021 to 31 August 2021 represents 7 months of the normal financial year. These figures can be viewed alongside the final accounts submitted for the unincorporated charity (1031780) to gain a full financial year view.

### **Background to incorporating the Charity**

In April 2019, the trustees took a decision to incorporate the charity. Since then, work has been progressing toward achieving this goal. The incorporated charity – Ducklings Preschool Creaton CIO, Registered charity number 1186340 - was registered with the Charity Commission on 14 November 2019. Ofsted Registration for the CIO was approved on 29 Jan 2021.

The trustees formally agreed to dissolve the unincorporated charity (1031780) and transfer assets and liabilities, in accordance with section 105 order authorised by the charity commission, to the incorporated charity with effect from 1 February 2021.

### **Income Analysis**

The CIO started out with a donation of £84,175.87 from the unincorporated charity and went on to perform well with an income over expenditure amounting in £23,339.00. This is largely attributed to the increase in the number of children/hours attended.

- The school year began with 33 children on register, attending 579 hours per week.
- The school year closed with 61 children on register, attending 1049 hours per week.

The increased number of children on register, saw the budget for Fees, Funding and Lunches, exceeded for the financial period.

The fundraising budget for this period was modestly set owing to the unknown restrictions that would be imposed because of COVID. The small but regular contributions from schemes including Amazon Smile, easyFundraising, Local Lotto, Textile Recycling & Little Monkeys Studio commission raised a respectable amount during the period and exceeded the budget.

We were fortunate to receive a small income from hiring the upstairs office out to an independent guidance counsellor.

### **Expenditure Analysis**

Wage expenses for the school year were 9% (£7k) above budget, in response to the increased number of children in the setting. For the same reason, food expenses were also over budget.

An issue with our gas and electric supplier meant that we did not receive any bills, in respect of these charges, during the period and an accrual is to be made in the new financial year when we switch to accrual accounting. The issue occurred when NCC divided in to two new entities, WNC & NNC. Our council contract with the gas and electricity supplier was cancelled, without the preschool being notified, and we subsequently received high value bills from out of contract suppliers. The situation has now been resolved and our former council contract supplier has taken the preschool back on as an independent customer. The out of contract invoices have been transferred back to our contract supplier and will be back dated and charged at the correct rates.

Expenses on Play Equipment and Craft Consumables were over budget, collectively for the financial year, by approx. £820. This overconsumption of budget was financed by the fundraising income, the income from which is used solely for the children's benefit, for the year.

Office Equipment expenses were over budget as a new laptop and printer were procured during the year.

Spend on Training and Speech Therapy were both lower than budgeted for the year, primarily due to COVID restrictions.

The spend on Sundries, whilst not significantly higher than budget, is a large amount to group in to one generic category. As such, going forward, this category along with others will be broken down to a greater level of detail to provide better visibility of where the charities money is coming from and going to.

The budget for the next school year is outlined on the following pages and the additional income and expense categories can be viewed here.

### 2021-2022 School Year

The new school year will begin with 41 children on register, attending 596 hours per week.

The preschool has introduced a Breakfast Club and After School Club. The introduction of these clubs increases our service offering by an additional 20 hours of childcare, per week, to potentially be utilised by families during term time. Uptake at the start of the school year is modest but it is hoped and expected that this will increase throughout the year.

- Breakfast Club starting hours, 10 per week
- After School Club starting hours, 12.5 per week

If these hours, as a minimum, are maintained for the school year the expected income will be £3,000

Holiday Club has also been introduced for children aged 2 – 11 years old. The Holiday Club will run during school holidays, excluding Christmas. The introduction of holiday club increases our service offering by an additional 550 hours per year, to potentially be utilised by families during school holidays. The forecast income is based on confirmed bookings for the Autumn Half Term break, in the amount of 105 hours over the course of a week. If these hours, as a minimum, are maintained for each holiday week throughout the year the expected annual income will be £4,600.

With COVID restrictions relaxing it will be essential to push the fundraising efforts of the preschool, in the next school year, to increase the funds we have available to spend on the resources for the children.

Looking at expenses for the coming year, the largest year on year increase is the budget for salaries. This is attributed to an additional 32 hours per week being worked during term, compared to the same period last year, and estimated additional working hours to support the clubs.

The Cost of Delivery for 2021-2022 (average cost per hour of childcare for all children) is £4.79.

At this point in the year, it is expected that the preschool will break even, or make a small profit, in the 2021-2022 financial year. It is reasonable to expect that, as in previous years, the number of children registered, and hours attended, will increase throughout the year and in doing so the income over expenditure will also increase.

Drafted by: Danielle Widdowson-Fuller, Office Manager

Reviewed and signed off by: Fiona Perrin, Treasurer

# DUCKLINGS PRE-SCHOOL

Registered Charity Number 1186340

## Income and Expenditure Statement for the year ended 31st August 2021

*Activity up to 31-Jan-21 reported under unincorporated charity 1031780*

	<u>Year Ended 31-Aug-21</u>		<u>Year Ended 31-Aug-20</u>	
	£	£	£	£
<b><u>Income</u></b>				
Fees & PAYG	25,620.30		0.00	
EY Grant Fees	61,491.99		0.00	
Lunches	3,608.20		0.00	
School Outings	0.00		0.00	
Fundraising INC	484.68		0.00	
Donations	-29.00		0.00	
Interest	3.69		0.00	
Room Hire	244.00		0.00	
Other Income	59.00		0.00	
Donation from Creaton Preschool (1031780)	84,175.87		0.00	
<b>Total Income</b>		<b>175,658.73</b>		<b>0.00</b>
<b><u>Expenses</u></b>				
Wages/ PAYE	53,321.61		0.00	
Utilities/ Contracts	7,506.41		0.00	
Rent	0.00		0.00	
Consumables (Food)	1,274.66		0.00	
Consumables (Craft)	600.33		0.00	
Speech Therapy/ SEND Resources	1,299.00		0.00	
School Outings	0.00		0.00	
Play Equipment	1,479.57		0.00	
Office Equipment/ Supplies	607.76		0.00	
Training & Recruitment	355.60		0.00	
Legal	0.00		0.00	
Trustee's Expenses	0.00		0.00	
Sundries (inc. DBS, First Aid)	1,698.79		0.00	
Fundraising EXP	0.00		0.00	
<b>Total Expenditure</b>		<b>68,143.73</b>		<b>0.00</b>
<b>Surplus</b>		<b>107,515.00</b>		<b>0.00</b>
<b><u>Cash</u></b>				
Cash balance at 31st January 2020		0.00		0.00
Add current year surplus:		107,515.00		0.00
Cash balance at 31st August 2020		107,515.00	(@31-Aug-20)	0.00

## Reconciliation to Bank Account

Bank balance at 31st August 2021	Community	43,935.86	0.00
	Savings	63,579.14	0.00
		<u>107,515.00</u>	<u>0.00</u>
Difference		0.00	0.00

## Ducklings Pre-School - Running Costs Contingency - 3 Months

Forecast Runnings Costs 2020-2021	£	131,759.00
/ 12	£	10,979.92
3 months estimated running costs (x3)	£	<u>32,939.75</u>

## Ducklings Pre-School - TOTAL Contingency Fund

Redundancy	£	11,476.82
3 months estimated running costs (x3)	£	32,939.75
<b>TOTAL CONTINGENCY</b>	£	<u><b>44,416.57</b></u>

BUDGET 2021-2022			
Category	Account Name	Budget 21-22	COMMENTS
Income	Preschool Fees	£ 35,760.00	Based on confirmed hours in Sept 2021.
Income	Preschool Funding	£ 75,810.00	Fluctuations likely as new children start or existing children leave/reduce hours. No PAYG included in forecast.
Income	EYPP	£ 302.00	Based on one child receiving EYPP at start of year
Income	HNF	£ 7,296.00	Based on one child receiving HNF at start of year
Income	Breakfast Club	£ 1,395.00	Based on BC & ASC bookings at the start of the year
Income	After School Club	£ 1,512.00	
Income	Holiday Club	£ 4,620.00	Based on hours booked for Autumn Half Term
Income	Meals	£ 4,370.00	Based on 46 meals per week, as at September 2021, x 38 weeks
Income	Uniform	£ 250.00	No profit on uniform, purchase cost charged for goods
Income	Room Hire	£ 342.00	Based on 2020-2021 income
Income	Bank Interest	£ 6.00	Based on 2020-2021 interest
Income	FR - Local Lotto	£ 38.00	Based on 2020-2021. Raise awareness to increase income.
Income	FR - Amazon Smile	£ 70.00	Based on 2020-2021. Raise awareness to increase income.

Income	FR - easyFundraising	£	75.00	Based on 2020-2021. Raise awareness to increase income.
Income	FR - Bags2School	£	135.00	Based on 2020-2021. Raise awareness to increase income.
Income	FR - Recycle4Charity	£	85.00	Based on 2020-2021. Raise awareness to increase income.
Income	FR - Halloween	£	100.00	Reduced for 2021-2022 as direct expenses were not deducted
Income	FR - Little Monkeys	£	130.00	Reduced for 2021-2022 as less children on register
Income	FR - Textile recycling	£	150.00	Based on 2020-2021
Expenditure	Food	£	1,748.00	Budget £1 per meal. Based on 46 meals per week, as at September 2021, x 38 weeks.
Expenditure	Childrens Uniform	£	250.00	No profit on uniform, purchase cost charged for goods
Expenditure	Employee Wages	£	100,804.00	Weekly hours increased from 186 to 218 from Sept-20 to Sept-21. Includes estimated additional hours for Breakfast Club, After School Club and Holiday Club. Provision made for potential 5.72% increase in line with predicted NLW rise from April 2022.
Expenditure	PAYE	£	4,193.00	
Expenditure	Employee NI	£	2,115.00	Based on known upcoming absence for staff medical procedures
Expenditure	SSP	£	288.00	Based on 1 hour per week, at £140.00, over 38 weeks
Expenditure	SALT	£	2,660.00	Small amount budgeted to cover unforeseen staff shortages
Expenditure	Childcare Contractor	£	250.00	Set amount
Expenditure	Rent	£	2,000.00	Council decision made, not in favour, on discretionary rate relief for charity. Back payments made 2020-2021. Annual payment going forward set as budget for coming year
Expenditure	Business Rates	£	1,306.00	Based on 2020-2021
Expenditure	Insurance & EYA Membership	£	825.00	Increased fee as the setting will be open for more than 45 weeks per year to accommodate holiday club
Expenditure	Ofsted	£	220.00	Based on 2020-2021
Expenditure	Music Licence	£	55.00	Only 1 audit will be needed in 2021-2022
Expenditure	Accounts Audit	£	100.00	Based on 2020-2021
Expenditure	ICO	£	35.00	Based on 2020-2021
Expenditure	Tapestry	£	155.00	Based on 2020-2021
Expenditure	Out of School Alliance	£	45.00	New annual membership fee from 2021-2022 to support new out of school offering
Expenditure	Water	£	380.00	Based on 2020-2021
Expenditure	Electricity	£	1,975.00	No Electricity was invoiced in 2020-2021 due to supplier cancelling contract in error. Accrual made for previous year and budget for 2021-2022 has been matched.
Expenditure	Gas	£	800.00	Based on 2020-2021
Expenditure	Phone & WIFI	£	430.00	Based on new BT contract
Expenditure	Refuse Collection	£	360.00	Based on 2020-2021
Expenditure	Sanitary Services	£	350.00	Based on 2020-2021
Expenditure	Payroll Service Costs	£	360.00	New monthly charge, £30
Expenditure	Maintenance and Repairs	£	1,000.00	Includes £600 for gardening/ handy man maintenance and £400 for unforeseen repair costs
Expenditure	Boiler Service	£	300.00	Based on 2020-2021
Expenditure	H&S - Burglar Alarm	£	275.00	Based on 2020-2021
Expenditure	H&S - Fire Safety	£	400.00	Reduced as additional works were carried out in 2020-2021
Expenditure	H&S - PAT Testing	£	200.00	No charge made in 2020-2021. Estimated budget
Expenditure	H&S - Asbestos Inspection	£	270.00	Based on 2020-2021
Expenditure	H&S - PE Equipment Service	£	180.00	Based on 2020-2021
Expenditure	H&S - First Aid Equipment	£	80.00	Based on 2020-2021
Expenditure	Printing	£	540.00	Based on monthly fee of £44.99 - plan upgraded to as printing demand increased
Expenditure	Office Stationery	£	280.00	Based on 2020-2021

Expenditure	Office Equipment	£	200.00	New printer and laptop purchased previous year. Budget reduced for 2021-2022.
Expenditure	Postage	£	5.00	Increased as previous year personal stamps were used and not claimed
Expenditure	Marketing	£	100.00	Account opened with small budget in anticipation of potential spend
Expenditure	Subscriptions	£	100.00	Account opened with small budget in anticipation of potential spend
Expenditure	Play Equipment	£	2,500.00	Previous year included spend on new playground marking which have been excluded from current year budget
Expenditure	Craft Consumables	£	650.00	Based on 2020-2021
Expenditure	Hygiene Materials	£	350.00	Based on 2020-2021
Expenditure	Cleaning Materials	£	300.00	Based on 2020-2021
Expenditure	Other Setting Costs	£	700.00	Based on 2020-2021
Expenditure	Training	£	500.00	Based on 2020-2021
Expenditure	DBS Checks	£	175.00	Based on 2020-2021
Expenditure	Staff Uniform	£	200.00	Reduced as do not expect to need fleeces in the coming year
Expenditure	Gifts	£	750.00	Based on 2020-2021 gifts for children & committee + known spend for Staff xmas party
		£		
Income			132,446.00	
		£		
Expenditure			131,759.00	
		£		
Income over Expenditure			687.00	
				<b>Budget 21-22</b>



# DUCKLINGS PRE-SCHOOL

Registered Charity Number 1186340

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### for the year ended 31st August 2021


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Difference		0.00	0.00

### Trustee Signatures



Fiona Perrin, Treasurer.



Rebekah Stephenson, Chair

## **Independent examiner's report to the trustees of Ducklings Pre-school**

I report to the trustees on my examination of the accounts of the Ducklings Pre-school (the Trust) for the period ended 31 August 2021.

### **Responsibilities and basis of report**

As the charity's trustees, you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act'). I report in respect of my examination of the Trust's accounts carried out under section 145 of the 2011 Act and in carrying out my examination, I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

### **Independent examiner's statement**

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

- accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
- the accounts do not accord with those records.

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



Signed:

Name: Rebecca Bott FCA

Address: 48 Cherry Orchard Place, Northampton

Date: 21 April 2022