

Treasurer's Report **AGM 25th February 2025**

Lindley Pre-school CIO

Financial Year 1st September 2023 – 31st August 2024

We closed the financial year with total income received of £309,876 and expenditure incurred of £289,680.

The accounts for the year have been independently audited by an Accountant and all figures below relate to the figures submitted in the final accounts for the year which have been emailed to all committee members before the AGM.

INCOME

Total income for the year was £309,876.

The main source of income came from NEF funding which was £215,856 for the year (an increase of £32,701 from 2022/23). The main reason for the rise in NEF is due to more families accessing the 30 hours funding for $\frac{3}{4}$ year olds and 15 hour funding being available for 2 year olds working families.

Income with regards to fees was £49,886 (only £300 more than 2022/23). More families have been accessing funding so fees collected has only increased slightly.

SEN income of £39,555 was received (an increase of £9,705 from 2022/23).

Fundraising activities over the year raised £681 (sponsored summer event – a further £300 was collected but banked in 2024/25 from the summer event). Bank interest increased this year due to keeping more funds in our Money Manager account and raising interest of about £200 per month.

EXPENDITURE

Total expenditure for the year was £289,680.

The main item of expenditure for the year was with regards to wages (£224,625) and increase of £32,806 from 2022/23. These will be increasing each year as we have put up our hourly rates for staff to ensure we are paying over the amount of the National Living Wage. It is also higher due to the extra staffing needed to support our high number of SEN children.

Our rent for the year was £30,549 (an increase of £4,458 from 2022/23).

Resources - £8,757 – used to improve the provision both upstairs, downstairs and for the outdoor area.

Trips and Entertainment - £1,974 (paid for coach in 2024/25 of £450 to add onto this)– We paid for every preschool child to visit Cockfields Farm in July. We also had PJ drama visit Preschool for a session a week for part of the year. We funded family events during the year such as Mothers Day / Fathers Day, Christmas Party and Graduation ceremony.

Staff Wellbeing - £2,431 – Made up of Christmas and year end meal and flowers and gifts to mark special events including a 15 year service party and 2 staff leaving events.

Repairs and Maintenance – We spent £2,770 on a new fence for our outdoor area. As agreed at the last AGM we ringfenced £15,000 to improve our outdoor area (£2700 spent on fence during 2023/24). Sally and Karen have been in discussions with the Church about purchasing an outdoor structure for the Woodland Area. If the committee are in agreement then we can use the remaining £12,000 towards this and discuss finances again if more is needed for any groundwork etc.

Other items of expenditure have been largely the same as in previous years.

Training of £1,050 was mainly mandatory training for 2023/24 however this also included a joining fee to the Rebecca McGrath Management hub that the Manager has found useful.

SUMMARY

Lindley Pre-school CIO has had a healthy year financially. We closed the year with a balance of £153,666 in the bank accounts taking into account accruals and creditors.

Due to the nature of our business and the uncertainty surrounding occupancy we need to have healthy reserves to be able to avoid redundancies for our permanent staff where we might have a drop in numbers, hence drop in fees and funding for a length of time. We ideally need to keep a term's running costs in reserve, and based on last year's figures, a term's running costs would be about £100,000. Based on our reserves policy and funds available we therefore need to consider using the extra funds to further our charity's objectives.

The following proposals could be considered:-

Continuing to develop the woodland area - As agreed at the last AGM we ringfenced £15,000 to improve our outdoor area (£2700 spent on fence during 2023/24). Sally and Karen have been in discussions with the Church about purchasing an outdoor structure for the Woodland Area. If the committee are in agreement then we can use the remaining £12,000 towards this and discuss finances again if more is needed for any groundwork etc.

Opening to Younger children (9 months) - Government Funding is available for babies from 9 months old from September - we could use some of the extra money to offset some of the initial losses made if we lower the age limit that children can start to attend preschool.

Upstairs work – We would need to look into budgeting for changes to the kitchen area and also partition the larger room to make it work for our 2 year old children who could move upstairs to accommodate a baby room downstairs

Staff Training – We set a budget of £4000 for September 2024-August 2026 (in addition to mandatory training) to use where staff show an interest in pursuing areas to enhance their knowledge and improve our provision. We have so far spent £450 on Noodle Now (September 2025) and have spent a further £500 on staff cover during 2023/24 for bank staff to cover so that staff have more time to enhance their own professional development (eg. Dingleys Promise).

Website – We currently pay £550 a year just for hosting, software updates and backups. This seems to be a high cost just for this service and the website is difficult to navigate and keep up to date. We could look at having this redesigned with the option of having it updated also on a regular basis as part of the payment agreement.

Finance software – Our Treasurer/Business Support Officer has historically used a number of different excel spreadsheets to monitor finances, wages, raise invoices and all have been set up from scratch – the length of time needed to do this increases each year. We could look at purchasing a financial package specifically tailored for an Early Years setting that could then be used by other members of the charity once Karen retires.

Staffing – We have a current bank staff member who is interested in completing a university course during 2025/26 and would need a fixed term placement with us for the year whilst attending the course. Preschool would be given a sum to support the staffing costs (including cover for when staff has to attend other placements).

Fee and consumable charge changes from September 2025

I would propose that session costs should increase as follows to keep in line with funding rate increases but our consumable charge remains the same which is lower than many other early years providers –

3 hour session £17.00 (currently £16.00)

6 hour session £34.00 (currently £32.00)

9 hour session £51.00 (currently £48.00)

Fee payers therefore pay £5.66 per hour and we receive £5.50 per hour for funded hours plus approximately 33p per hour in a consumable charge. For those under 3 years old, our funding rate is higher but in previous year's we have chosen to keep the fees the same for all age groups - This is something we need to consider if reducing the age of children able to attend the setting due to the higher staff:child ratio.

Staffing – We have a number of staff on fixed term contracts that will need to be reviewed in the summer term to see if we are able to offer the same number of hours from September 2025 depending on occupancy. Sally will be looking at this as SEN funding available has dropped this year and will decrease even further from April 2025.

Company Number: CE020832

LINDLEY PRESCHOOL CIO

ACCOUNTS

YEAR ENDED 31 AUGUST 2024

LINDLEY PRESCHOOL CIO

Information

Trustees	Claire Parr (Chair) Karen Marsden (Treasurer) Amy Walker (Secretary) Sally Blake Erica Wood
Charity number	1188143
Company number	CE020832
Business Address	Lindley Methodist Church Centre East Street Lindley Huddersfield HD3 3ND
Accountant	Hodgson Hey Limited Heritage Exchange South Lane Elland HX5 0HG
Bankers	HSBC Bank PLC 2 Cloth Hall Street Huddersfield HD1 2ES

LINDLEY PRESCHOOL CIO

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LINDLEY PRESCHOOL CIO

Independent Examiner's Report to the Trustees

We are reporting on the accounts of the charity for the year ended 31 August 2024, which are set out on pages 2, 3 and 4.

Respective Responsibilities of the Trustees and the Independent Examiner

As trustees' of the charity you are responsible for the preparation of the accounts; you consider that the audit requirement section 145 Charities Act 2011 (the act) does not apply. It is our responsibility to state, on the basis of procedures specified in the General Directions given by the Charity Commission under section 145 (5)(b) of the Act, whether particular matters have come to our attention during the course of the work undertaken.

Basis of Examiner's Report

Our examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts and seeking explanation from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently we do not express an audit opinion on the view given by the accounts.

Independent Examiner's Statement

In connection with our examination, no matter has come to our attention:

- which gives us reasonable cause to believe that in any material respect the requirements;
 - to keep accounting records in accordance with section 130 of the Act and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Act
- to which, in our opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Hodgson Hey Limited
Chartered Certified Accountants
Heritage Exchange
South Lane
Elland
HX5 0HG

Date.....

LINDLEY PRESCHOOL CIO

Statement of Financial Activities For the Year Ended 31 August 2024

	2024		2023	
	£	£	£	£
Income				
Fundraising	681		1,980	
Fees	49,886		49,591	
Grants - Apprenticeship	1,500		-	
Grants - NEF	215,856		183,155	
Grants - SEN	39,555		29,850	
Bank Interest	2,398		1,059	
Donations	-		-	
		309,876		265,635
Expenditure				
Wages and Salaries	224,625		191,819	
Admin costs	7,344		7,460	
Rent Payable	30,549		26,091	
Printing, Postage, Stationery	848		535	
Telephone and Fax	-		-	
Resources	8,757		6,238	
Website Costs	504		509	
Trips and Entertainment	1,974		2,729	
Domestic Supplies	2,939		2,394	
Snack and Refreshments	2,741		2,374	
Cost of Fundraising	-		237	
Staff Wellbeing and Gifts	2,431		2,758	
Training	1,050		953	
Licences, Memberships and Insurance	2,291		2,385	
Accountancy	480		570	
Professional fees	349		1,074	
Bank charges	28		100	
Repairs and maintenance	2,770		-	
Sundry Expenses	-		60	
Depreciation	-		-	
		289,680		248,286
Surplus for the Year		<u>20,196</u>		<u>17,349</u>

We approve these accounts and confirm that we have made available all relevant records and information for their preparation

Signed on Behalf of Committee Members

Date

LINDLEY PRESCHOOL CIO

Balance Sheet as at 31 August 2024

	2024		2023	
	£	£	£	£
Fixed Assets				
Equipment		-		-
Current Assets				
Prepayments and accrued income	-		-	
Cash at Bank	153,666		128,043	
Cash in Hand	-		-	
	<u>153,666</u>		<u>128,043</u>	
Current Liabilities				
Creditors: Wages	(10,530)		(6,244)	
HMRC	(3,663)		(2,079)	
Accruals Accountancy	(450)		(450)	
Resources	(2,000)		(1,000)	
Apprenticeship grant	-		(1,500)	
Fees refunded in September	(900)		(843)	
	<u>(17,543)</u>		<u>(12,116)</u>	
Net Current Assets		136,123		115,927
Total Assets		<u><u>136,123</u></u>		<u><u>115,927</u></u>
Capital Account				
Balance B/fwd		115,927		98,578
Surplus for the Year		<u>20,196</u>		<u>17,349</u>
		<u><u>136,123</u></u>		<u><u>115,927</u></u>

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LINDLEY PRESCHOOL CIO

**Bank Reconciliation
as at 31 August 2024**

	£
Opening Balace per Accounts 1 September 2023	128,043
Total Income For Year	311,041
Total Expenses For Year	(285,418)
Closing Balance per Cash Book 31 August 2024	<u><u>153,666</u></u>

Lindley Preschool CIO bank accounts as at 31 August 2024

	£
Pre-school BMM Account	123,489
Pre-school Business Account	<u>30,177</u>
	<u><u>153,666</u></u>

LINDLEY PRESCHOOL CIO

Notes To The Financial Statements For the Year Ended 31 August 2024

Recommendation

We have prepared the year end accounts for Lindley Preschool CIO using the spreadsheets and documents available. We found the information contained within them to be good with the appropriate details provided in order to find the relevant invoice, cheque stub or paying-in voucher.

We have no major concerns about the accounting procedures. However as a matter of good governance we would recommend a regular review of the systems and controls in place regarding the accounting and bookkeeping.

Notes to the Accounts

We have provided comparative figures in the accounts for your information so that an appropriate analytical review can be done at the meeting.

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