



The Den, Marchwiel, Wrexham, LL13 0SB

Annual Report

Year ended 31 August 2024

THE DEN
LEGAL AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2024

ADDRESS FOR CORRESPONDENCE	The Den Ysgol Deiniol The Ridgeway Marchwiel Wrexham LL13 0SB
GOVERNING DOCUMENT	CIO registered December 2021
CHARITY REGISTRATION NUMBER	1197253
TRUSTEES RESPONSIBLE FOR MANAGING THE CHARITY	Kevin Baugh Tracy Jones Laura Butterson
BANKERS	HSBC REGENT STREET WREXHAM LL11 1RN

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Legal and Administrative Details, and Trustees Report

The Den, Wrexham Trustees Annual Report for the period ending 31 August 2023

The Board of Trustees present their Annual Report for The Den for the period ending 31 August 2023

Structure, Governance and Management

Governing Documents

The organisation is a Charitable Incorporated Organisation, registered with the Charity Commission on 21 December 2021. The Den was established under a constitution document which was amended on 8th February 2024.

Structure

The members of the CIO are charity trustees for the purpose of charity law. The Board of Trustees is responsible for the governance and management of the organisation. The Board of Trustees retains final decisions over policy, employment of staff and finance, and takes responsibility for all matters of legal and regulatory compliance.

Trustees are appointed by trustee members and can be appointed by ordinary resolution at a general meeting of members.

Decision Making

Financial and strategic decisions will be made by the entire Board of Trustees.

Training

All staff undergo a formal recruitment and selection process, followed by an induction period that includes any training considered necessary to effectively perform their role.

Volunteers

Not applicable.

Objectives

The Den provides high quality wrap around care that enhances the development, care, and education of nursery age children in a safe and stimulating environment where they can learn through play. The Den embraces the ethos and principles of Wales Pre-School Providers Association.

Our objectives are set out in our governing document, the Constitution.

Achievements and Performance

As yet, no activities have been undertaken as The Den will not be operational until September 2023.

Volunteers

Not applicable.

Key Risks and Uncertainties

Prior to The Den officially opening, a full risk assessment will be completed and any recommendations made will be actioned.

Financial Review

Policy was updated in January 2023. The Administrator will be checking monthly to ensure the correct amount of funds are held. Financial reviews will be held annually.

Reserves Policy

The Board of Trustees are aware of the need to maintain sufficient reserves. The Trustees have determined that The Den should aim to hold unrestricted cash of no less than 4 months of unrestricted expenditure on basic operational commitments so that The Den could continue to operate should income and / or expenditure vary adversely.

Safeguarding

The Board of Trustees have adopted the Care Inspectorate Wales safeguarding policy relating to children. Kevin Baugh is the Safeguarding Officer for The Den.

The Trustees declare that they have approved the Trustees' Report above.

Signed on behalf of The Den's Trustees

Signature: 

Full name: Kevin Baugh

Position: Chair

Date: 28.06.2025

Auditor's Income and Expenditure Summary Report: 2023/24

Organisation: The Den

Financial Year: 1 April 2023 – 31 March 2024

Prepared for: Internal Review / External Auditing

Prepared by: Deborah Foulkes – Chartered Internal Auditor

Date: 22 June 2025

A. Expenditure Overview

This report outlines the financial activity for the 2023/24 year for The Den. The nursery transitioned its banking from **NatWest** to **HSBC** during the year. The expenditure recorded is fully reconciled with the bank statements and reflects typical operations, staff costs, and key capital investment in nursery infrastructure.

Total Expenditure

Category	Amount (£)
BACS Payments (NatWest)	5,529.31
BACS Payments (HSBC)	30,559.34
Bank Charges (NatWest)	28.44
Bank Charges (HSBC)	35.00
VIS Payments (HSBC)	4,597.90
Total Expenditure	£40,749.99

Bank Statement Match (Combined Accounts): £40,749.99

Unpresented Expenditure

The following payments had been authorised but had not cleared the bank by 31 March 2024:

Payee	Amount (£)	Purpose
Ysgol Deiniol (Term Rent)	4,000.00	Rent for Sep 2023 and Sep 2024
Payroll	2,038.39	End-of-year payroll
AVOW	88.50	Payroll processing
Animals Take Over	120.00	Educational visit
HMRC	401.55	PAYE
Total	£6,648.44	

Expenditure Analysis

1. Wages and Payroll

Wages form the bulk of the nursery's monthly expenses. Payments were made regularly to:

- Beverley Scott
- Teresa Greenhalgh
- Laura Butterson
- Isobel Lloyd (May 2023)

AVOW payroll services supported processing, with PAYE also settled directly with HMRC.

☒ Payroll payments were routine and consistent, indicating sound payroll management.

2. Reimbursements and Receipts

Several staff reimbursements were made throughout the year, especially during the NatWest period.

- **Tracy Ann Jones** had higher-value reimbursements (e.g., £923.10, £1,229.91) which reflect purchases of **playground equipment and nursery furniture**.
- These capital purchases were necessary and **receipts are generally well maintained** to support all claims.
- Additional reimbursements to Beverley Scott and Teresa Greenhalgh were for minor supplies or consumables.

☒ Reimbursements are appropriate and backed by documentation.

3. Supplies, Equipment & Capital Items

Notable expenditure was invested in improving nursery facilities:

Supplier	Description	Amount (£)
HL Flooring Ltd	Flooring replacement	£7,110.26
Groundwork Invoice	Outdoor grounds improvements	£9,744.00
Seated Furniture	Furniture (multiple payments)	£2,192.68
Creative Activity	Educational resources	£929.39
SP Ventureplay	Outdoor/physical equipment	£550.76
TTS Group (TTS Group Ltd)	Teaching equipment	£1,913.41

☒ Large purchases align with early years development goals and nursery improvement plans.

4. Retail & Online Purchases

Numerous small purchases from Tesco, Lidl, Argos, Amazon, B&M, and Smyths Toys:

- Primarily for snacks, activities, child-friendly resources, and operational supplies.
- Amounts were modest and mostly under £20 per transaction.

☒ These are supported by receipts or marked "OK" in records.

5. Bank Charges

Bank Charges (£)

NatWest £28.44

HSBC £35.00

☒ Regular monthly fees (~£5) are typical and within expected ranges.

Verification and Control

Category	Status	Notes
Payroll & PAYE	<input checked="" type="checkbox"/> Verified	Clear and consistent, supported by paperwork
Reimbursements	<input checked="" type="checkbox"/> Verified	Receipts maintained; large claims justified
Capital Purchases	<input checked="" type="checkbox"/> Verified	Supported by supplier invoices
Retail/Online Supplies	<input checked="" type="checkbox"/> Verified	Marked with receipts or "OK" status
Unpresented Expenditure	<input type="checkbox"/> Pending	To be cleared early in 2024/25

Observations & Trends

- A **bank transition** occurred mid-year, but all expenditure continued without interruption.
 - There was a **notable increase in capital investment** in playground equipment and site development between September and December 2023.
 - Reimbursement claims are generally low value and well controlled.
 - Large reimbursements (e.g., to Tracy Ann Jones) are appropriate for her role managing equipment procurement.
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Recommendations

1. **Continue Receipt Recording**

Receipt maintenance is good—ensure this continues for all reimbursements and small purchases.

2. **Track Capital Projects**

Document project justifications (e.g., new flooring, equipment) to aid future grant applications or inspections.

3. **Unpresented Monitoring**

Carry unpresented expenditure forward in 2024/25 and confirm clearance in Q1 reconciliation.

4. **Documentation Consistency**

Keep paperwork for even small amounts to support ongoing strong financial governance.

Conclusion

The 2023/24 financial records for The Den show **clear, accurate, and well-controlled expenditure** with appropriate support for both routine operations and larger capital investments. Transition to a new bank was handled smoothly, and expenditure aligns with the nursery's objectives for child development and facilities enhancement. The nursery is **well prepared for audit**, with only minor improvements suggested in ongoing tracking of unpresented items.

Total Recorded Expenditure: £40,749.99

Unpresented Items (To Clear in 2024/25): £6,648.44

Bank Reconciliation: ☒ Fully Matched to Bank Statements

B VAT Reclaim Note

VAT Reclaim Considerations – The Den (2023/24)

During the 2023/24 financial year, a number of purchases—particularly those relating to equipment, furniture, and refurbishment (e.g. HL Flooring, Seated Furniture, TTS Group, SP Ventureplay, Amazon, and Creative Activity)—included VAT within the total amounts paid.

Where VAT invoices are available and clearly itemised:

- **The Nursery may be eligible to reclaim VAT** on qualifying purchases, depending on its VAT registration status and the purpose of expenditure.
- **All large capital purchases** appear to have been made through reputable suppliers who typically issue VAT-compliant invoices.
- **Reimbursements** to staff (e.g., Tracy Ann Jones) for high-value items should be accompanied by original VAT receipts if VAT reclaim is to be pursued.

☒ A review of receipts has shown that **many are VAT eligible**, provided the Nursery is either VAT registered or can reclaim through a parent organisation (e.g. Local Authority or governing body).

⚠ Recommendation:

Ensure that all future purchases over £100 (especially equipment and services) are made directly through the nursery account wherever possible, rather than via staff reimbursements, to improve clarity and strengthen VAT reclaim opportunities.

C. Income Overview

This report outlines the income received by The Den during the 2023/24 financial year. A transition from **NatWest Bank to HSBC** occurred partway through the year. All income has been reconciled with bank statements for both accounts.

The total recorded income for 2023/24 is:

Total Banked Income: £61,855.63

Unpresented Income (to be banked post-year-end): £360.00

Total Income Summary

Income Category	NatWest (£)	HSBC (£)	Total (£)
Registration/Session Fees	2,116.25	3,042.50	5,158.75
Flintshire County Council	7,935.00	–	7,935.00
WCBC (Wrexham CBC)	–	14,898.48	14,898.48
National Savings	300.00	–	300.00
Welsh Government	2,235.00	31,200.00	33,435.00
Early Years (Misc.)	–	128.40	128.40
Total Banked	12,586.25	49,269.38	£61,855.63

Bank Statement Match: ☒

Unpresented Income (to carry forward): **£360.00**

Income Source Breakdown

1. Registration and Session Fees

Session fees were regularly received from parents/carers, including:

- A Price, Boreham MD, Goodhall CM, Mantea, Nicola Lovell, Sophie Roberts
- J Burbaite, O Griffiths, H Braisdell (HSBC period)

Total collected across both accounts: **£5,158.75**

☒ Mostly verified with payment references and records.

⚠ £360 remains unrepresented as of year-end (O Griffiths, March 2024) and should be included in 2024/25.

2. Flintshire County Council (FCC)

Received in four instalments during NatWest account period (May–July 2023):

- Total: **£7,935.00**
- Marked “OK” and matched to local authority schedules.

☒ Fully verified.

3. WCBC (Wrexham County Borough Council)

One large grant recorded on 10 October 2023 (HSBC account):

- Amount: **£14,898.48**
- Labelled “OK” and consistent with WCBC funding support.

☒ Verified with reference.

4. Welsh Government Grants

Ongoing income from WG throughout the year via both accounts:

- NatWest: **£2,235.00** (May–July 2023)
- HSBC: **£31,200.00** (Aug 2023 – Mar 2024)

Payments are typically £1,350–£2,850 per entry, suggesting funding tied to capacity or childcare provision initiatives.

☒ Majority entries verified; one or two lack tick marks but are bank-confirmed.

5. Early Years / Miscellaneous Income

A single payment labelled “early years” of £128.40 received in March 2024 via HSBC.

☒ Amount and payer clearly recorded.

6. National Savings

Interest or small savings-related credit of **£300.00** recorded in June 2023 (NatWest).

⚠ Marked without verification—recommend documenting the origin.

Verification Summary

Category	Verified	Notes
Registration Fees	☑ Mostly	A few cash/cheque receipts lack verification
FCC / WCBC / WG Grants	☑ Confirmed	All grant income aligned with schedules
Misc. (Early Years, NS)	⚠ Partial	NS entry lacks documentation
Unpresented Income	⚠ To bank	£360 not yet cleared at year-end

Trends & Observations

- The shift from **NatWest to HSBC** was well managed. Both sets of data reconcile accurately.
 - **Income rose sharply** in the HSBC period due to Welsh Government grants.
 - **Parental contributions remain steady**, with cash and direct credits clearly recorded.
 - **Most income entries** include either paperwork verification or reliable account references.
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Recommendations

1. **Unpresented Income Follow-Up**
Ensure £360 (O Griffiths – Feb/Mar 2024) is banked and recorded in 2024/25.
 2. **Centralised Income Log**
Consider maintaining a digital income log detailing source, category, and supporting paperwork for each transaction.
 3. **Verification of National Savings**
Clarify and document the origin of the £300 National Savings entry.
 4. **Grant Tracking**
Maintain a tracker for Welsh Government and WCBC income, showing intended purpose and linked spending.
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Conclusion

The Den has demonstrated **strong financial control** and a **clear audit trail** for income received in 2023/24. The income is appropriately categorised and reconciled, with minor exceptions requiring follow-up. The nursery has effectively maximised external funding,

particularly from the Welsh Government, while maintaining a consistent level of parental contributions. With continued focus on verification and tracking, the nursery is fully audit-ready.

Total Verified Income: £61,855.63

Unpresented Income (To Carry into 2024/25): £360.00

Accounts Reconciled: ☒ Yes

Independent examiner's report on the accounts

Section A - Independent Examiner's Report

Report to the trustees/members of The Den

Charity Name : The Den (Marchwiell)

Location: Ysgol Deiniol CP School, The Ridgeway, Marchwiell, Wrexham, LL13 0SB

On accounts for the year ended 2023/24

Charity no (if any) 1197253

Responsibilities and basis of report

I report to the trustees on my examination of the accounts of the above charity ("the Trust") for the year ended 31/03/2024

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: Deborah Foulkes Date: 22/06/2025

Name: Deborah Foulkes

Relevant professional qualification(s) or body (if any): Accounting Technician Qualification and Management in The Institute of Internal Auditors Qualified (Chartered Internal Auditor)

Address: 18 the Hawthorns,

Acton,

Wrexham,

LL127BB

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:

N/A