



ANNUAL REPORT

Busy Bees Preschool (at Southwick Methodist Church)

CIO 1198933

Sept 2023- August 2024

Objectives and Activities

Busy Bees Preschool (at Southwick Methodist Church) objective is to advance preschool education for young children (aged 2-4) who live in the local area, by providing an Ofsted registered EYFS setting, operating at Southwick Methodist Church, West Sussex. This service is provided in accordance with Christian principles and is inclusive of children and families of any faith, or without a faith.

The preschool is registered by Ofsted and with the Department of Education, for 'free entitlement' funding for eligible two, three and four-year-old children, and with the Early Childhood Service of West Sussex County Council.

The preschool aims to provide a safe, secure, happy and stimulating environment for pre-school children, where they will be helped and encouraged to develop and learn through a variety, and appropriate range, of play and learning activities, by caring, professional, trained adults with the involvement of all families within our community who are interested in and support our aims.

Meetings of the trustee committee take place three times a year, chaired by the minister of Southwick Methodist Church. This provides the opportunity for management and financial reporting and forecasting, the setting of objectives and planning. The constitution prescribes for church, staff and parent representation on the committee. As described above the trustees give careful consideration to the public benefit guidance provided by the Charity Commission.

Achievements and Performance

The autumn term 2023 started with almost full numbers in the mornings, less in the afternoon and a waiting list for 2 year olds. As the year progressed the pre-school achieved full capacity from April until July, with a waiting list for immediate start plus full capacity until September 2025.

We were able to obtain some help with funding through the local Lions Club and the Co-op local community fund.



In February 2024 we were awarded a 'Good' in our OFSTED inspection which included positive feedback on children's behaviour being impeccable, excellent role models in staff, and a strong unified staff team.

Four stay and play sessions were arranged during the year. These are an opportunity for children and parents to experience activities together and meet other parents, children and practitioners.

Staff have continued to work exceptionally hard to support children who have some issues with delayed speech, social skills, physical development, sharing or resilience, many brought about due to COVID restrictions that were prevalent in their early stages of life.

Financial Review

Please see the accompanying accounts and reserves policy below. The annual accounts have been independently examined and show a £18922 excess of income over expenditure by the end of the accounting period covered in this report, this following a deficit of £10,991 in the previous year. Reserves therefore at 31st August 2024 increased to £45,788. Reserves to earn interest are placed with the Epworth Fund managed at the Methodist Church House offices in London. This is provided for charitable organisations that are not part of the Methodist Church but affiliated to the church.

With the child capacity being full for the next year it is predicted the staffing costs, amongst others, will be greater, so continued prudent use of finances is certainly of paramount importance. It is evident that additional staff hours, and therefore increased costs, are required to support children, as described above particularly at this time.

The trustees believe that Busy Bees is a going concern based on the present finances. Busy Bees does not own or hold any freehold property, using the premises of Southwick Methodist Church under a standard form of agreement.

Reserves Policy

Reserves are unrestricted funds which are available to spend on the charity's purpose. Reserves provide a buffer against uneven and unpredictable income and/or expenditure.

There are inherent financial risks within the early years sector and Busy Bees activities which have been considered by the treasurer and trustees. These include:



- Government policy influences and impacts the early years sector including the setting of funding, the hourly living wage rate, and wider tax policy eg. employers national insurance. These significant factors are therefore outside of the direct control of the charity itself.
- As previously described whilst Busy Bees often achieves very high levels of child placement, however the fulfilment of places nevertheless can also depend upon external factors such as the birth rate, prevailing social and economic conditions etc.
- Usually approximately half to two thirds of children will leave each July to begin primary school. There is therefore implicit financial risk in this annual churn of places.
- Busy Bees operates in a competitive market and the setting of private fees are at an appropriate level within that market, that also provides the best possible value to parents paying those fees.
- As a church based charity Busy Bees aims to be an ethical employer paying the best salaries and other benefits eg. provision of uniform that are possible, in order to recruit and retain the highest calibre of staff . The social perception of early years work, and training and skills more widely may also impact on the availability of personnel. It continues to be persistently difficult to recruit staff to the sector.

Taking the above into account the reserves policy of Busy Bees continues presently to be an amount equivalent to at least three months gross payroll (ie. including HMRC national insurance/tax/student loan payover and pension scheme contributions). Based on our current accounts this equals £29,993. Reserves at the end of August 2024 were £45,788, and that given the challenging and uncertain environment described above it is believed prudent to hold these reserves at this time.

Structure, Governance and Management

The charity is a Charitable Incorporated Organisation (CIO). The governing document is a 'Foundation' constitution whose only voting members are the charity trustees. The constitution was last amended on 12 May 2022 when Busy Bees Preschool (at Southwick Methodist Church) registered with the Charity Commission.

The constitution describes in detail the functions and duties of trustees, and for their eligibility, number, appointment, retirement and removal. There are:



- not less than two nor more than four appointed trustees (parent representatives),
- three ex-officio trustees; the minister of Southwick Methodist Church and chair, the setting manager and the treasurer,
- not less than two nor more than three trustees nominated by Southwick Methodist Church.

Reference and Administrative Details

Charity Name – Busy Bees Preschool (at Southwick Methodist Church)

Registered Charity Number – 1198933

Address – Southwick Methodist Church, Manor Hall Road, Southwick, West Sussex, BN42 4NA

Names of Managing Trustees – Frank Okai-Sam (Chair), Heather McKay (Nominated Trustee and Secretary), Lorna Rayner (Setting Manager), Stephen Smith (Treasurer), Emily Berry (Nominated Trustee), Chris Tucknott (Nominated Trustee), Claire Robinson and Sarah McDonnell (Parent Representative Trustees).

Busy Bees Preschool (at Southwick Methodist Church)

Annual accounts statement for period 1 September 2023 to 31 August 2024

<u>2022/23</u>	<u>Income</u>		<u>2023/24</u>	
3,341.20	Private fees		17,270.00	
5,042.50	Tax free childcare fees		2,125.00	
9,462.57	WSCC funding - 2 year old		31,629.17	
71,223.50	WSCC funding - 3 and 4 year old		86,861.22	
-	Government Education & Skills Funding Agency		-	
-	Chichester University bursary		-	
-	Co op Local Community Fund		1,291.40	
467.54	Other income/donations		800.00	
1,053.91	Interest - Epworth Cash Plus Fund for Charities		2,227.11	
90,591.22				142,203.90
	<u>Expenditure</u>			
76,295.58	Salaries		89,731.93	
5,117.95	PAYE		6,112.57	
3,223.59	NEST pension scheme contributions		4,390.37	
-	Staff uniform		166.00	
632.29	Other staff expenses		665.13	
12,000.00	Southwick Methodist Church premises		13,200.00	
-	Private fees - provision for doubtful debt		695.00	
452.64	Insurance		453.45	
2,407.85	Equipment, resources and materials		5,242.49	
86.83	Garden		-	
50.00	Ofsted		50.00	
270.00	Training		825.00	
518.12	Photocopying		376.58	
254.33	Computing and office expenses		1,072.30	
272.86	Mobile phone		301.56	
-	Other expenses		-	
101,582.04				123,282.38
	Excess of Income over Expenditure			18,921.52
(10,990.82)	Deficit of Expenditure over Income			
	<u>Balance Sheet as at 31st August 2024</u>			
	<u>Assets</u>			
4,619.77	Current Account		3,035.52	
40,411.81	Epworth Cash Plus Fund for Charities		79,638.92	
-	Private fees debtor due		695.00	
-	Less private fees provision for doubtful debt		(695.00)	
45,031.58			82,674.44	
	<u>Liabilities</u>			
(18,165.37)	WSCC autumn term funding received in advance		(36,886.71)	
26,866.21			45,787.73	
	Represented by:			
	Balances at 1st September 2023			
26,442.08	Current Account		4,619.77	
25,357.90	Methodist Central Finance Board Account		-	
-	Epworth Cash Plus Fund for Charities		40,411.81	
51,799.98			45,031.58	
(13,942.95)	WSCC autumn term funding received in advance		(18,165.37)	
37,857.03			26,866.21	
(10,990.82)	Excess of Income/Deficit of Expenditure for year		18,921.52	
26,866.21			45,787.73	

I have examined the accounts and supporting statements and certify that they are correct.