

Royal Eltham Preschool Annual General Meeting

Date: 23.06.21

Present: Ruth Noble, Laura Hart, Anita Sheen, Ellen Millar, Emma Weir, Sophie Killick

Online: Linda Bigwood

Liz Oglesey, Mathew Stillwell

Minutes: Ruth Noble

	Agenda Item		Action by
1	Apologies and welcome	No apologies	
2	Minutes from previous AGM	Nothing to change from previous AGM.	
3	Matters Arrising	None	
4	Chairperson Report	<ul style="list-style-type: none"> <li>• The Covid-19 pandemic hit March 2020</li> <li>• Staff made a huge effort to support a single child who needed a space during lockdown</li> <li>• The staff did a fantastic job at creating zones in the preschool</li> <li>• We sadly said goodbye to Nicky</li> <li>• We weren't able to do the usual fundraising but have adapted to new ways (including Amazon wishlist)</li> <li>• Thank you to new parents who have joined the committee</li> <li>• Thank you to those who have served and will be leaving</li> </ul>	AS
5	Supervisors Report	<p>Sept 19-Aug-2020</p> <ul style="list-style-type: none"> <li>• Sept 19 children started off a little lower than usual – possibly due to Deansfield School accepting 30 free hours</li> <li>• Numbers were up shortly before Covid</li> <li>• Covid hit</li> <li>• Preschool remained open for 1 child with Key Worker parents</li> <li>• Preschool adapted; staff working part time hours</li> <li>• June -16 children returned, split into 2 bubbles</li> <li>• Greenwich Early Years and Early Years Alliance both very helpful</li> <li>• Discussions around staff reducing hours due to low numbers on the waiting list</li> <li>• Visits were unable to occur also</li> <li>• A thank you to Nicky for the service over the last 10 years</li> </ul>	RM

		<ul style="list-style-type: none"> <li>• Thank you to all staff who continued to work throughout the pandemic. The commitment they showed throughout this has been outstanding.</li> <li>• We are hopeful that the coming year will be better</li> </ul>	
6	Treasurers Report	<p>Preschool suffered a loss of £7,328</p> <p>Driven by two factors:</p> <ul style="list-style-type: none"> <li>• Reduced children on role</li> <li>• Covid pandemic</li> </ul> <p>Increased spend on screens and handwashing stations. Additional rent was charged to the preschool to accommodate the children of key workers. Pandemic also prevented preschool enrolling more children in the summer term. It has also impacted the ability to promote the preschool to parents.</p> <p>Preschool committee were not able to meet face to face during Covid and Treasurers report was sent over email.</p> <p>Staff numbers should be monitored carefully against number of children on role.</p> <p>A new website is to be developed to help publicise the preschool.</p> <p>Congratulations on 50 years Royal Eltham Preschool.</p>	LH
7	Election of officers	<p>Chairperson: Anita Sheen (staying on) elected by Sophie Killick 2<sup>nd</sup> by Ellen Millar</p> <p>Treasurer: Sophie Killick elected; 1<sup>st</sup> Anita Sheen, 2<sup>nd</sup> Laura Hart.</p> <p>Secretary: Ellen Millar elected: 1<sup>st</sup> Anita Sheen, 2<sup>nd</sup> Laura Hart.</p> <p>Trustees: Roz Metaxas and Jane Guest elected by Anita Sheen 2<sup>nd</sup> by Laura Hart</p>	<p>Ellen and Sophie will need to be registered with Ofsted (DBS check).</p> <p>Laura Hart to write to HMRC charities to inform them that there has been an officer change.</p> <p>Potentially another mum</p>

			wanted to join the committee.
8	AOB	Preschool turns 50 this year Due to the pandemic there will be a small celebration in the preschool for the attending children.	
9	Next Meeting	The 2021 AGM will be October 21	JG

Royal Eltham Pre-School  
Finance Report 12 months to 31 August 2020

**1) Notes to 2019/20 Accounts**

	<u>2019/20</u>	<u>2018/19</u>
a) Creditors		
ii] Parents fees Paid in advance		(320)
b) Debtors		
i) Payroll Service	3,058	2,683
ii) Parent Fees Outstanding	361	
	<u>3,419</u>	<u>2,683</u>

**2) Details of Accounts – Income**

	<u>2019/20</u>	<u>2018/19</u>
<b>Income from Fundraising</b>		
Christmas Raffle	100	70
Easter Egg Raffle	0	88
Easy Fundraising	231	126
Raffle	190	0
	<u>521</u>	<u>284</u>
Donation	320	652
	<u>841</u>	<u>936</u>
<b>Other income</b>		
Course Fee Contribution	0	100
Photography commission/keyring	0	26
Godstone Farm ( <i>offset with expenditure below 18/19</i> )	0	0
Safeguard course contribution	0	0
Dear Zoo	0	0
Ugly Duckling	0	0
Other	614	0
	<u>614</u>	<u>126</u>

**3) Details of Accounts – Expenditure**

	<u>2019/20</u>	<u>2018/19</u>
<b>Other expenditure</b>		
Staff Christmas Party	210	320
Living Eggs	0	336
Ugly Duckling	0	0
Dear Zoo	0	0
Handyman Works	0	0
Godstone Farm Trip	0	164
Other	0	0
	<u>210</u>	<u>820</u>

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 Finance Report 12 months to 31 August 2020

**4) Summary of Income and Expenditure**

	<b>2019/20</b>	<b>2018/19</b>
<b>Income</b>		
Parent fee	11,413	12,106
Deposit	0	320
LBG Free Places	99,165	111,738
Grants	0	0
Income from fundraising	945	936
Interest	0	0
Other	614	126
	<b>112,137</b>	<b>125,226</b>
<b>Expenditure</b>		
Premises	9,940	9,345
Wages	101,834	97,014
Equipment	1,731	4,153
Insurance	1,208	1,193
Consumables	1,399	1,528
Admin	2,764	4,236
Petty Cash <i>(split into spend categories from 18/19)</i>		
Other	588	820
	<b>119,465</b>	<b>118,289</b>
<b>Net Surplus / (Loss)</b>	<b>(7,328)</b>	<b>6,938</b>

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**5) Capital Account for the Year**

	<u>2019/20</u>	<u>2018/19</u>
Opening Balance	84,163	77,226
Income	112,137	125,226
Expenditure	<b>(119,465)</b>	<b>(118,289)</b>
	<b><u>76,835</u></b>	<b><u>84,163</u></b>

**Represented by:**

Bank Current Account Lloyds TSB 9060	71,906	79,260
Bank Current Account Lloyds TSB 9468 (Fundraising)	1,257	1,256
Bank Current Account Coop		480
Cash in hand	615	804
Debtors	3,058	2,683
Creditors	0	
	<b><u>76,836</u></b>	<b><u>84,163</u></b>

## Royal Eltham Pre School 2019/20

25<sup>th</sup> November 2020

### Note to the Accounts 2019/20

I have audited the balance sheet of the Royal Eltham Pre School and the associated income and expenditure reports

I have carried out a number of checks in reviewing these accounts including

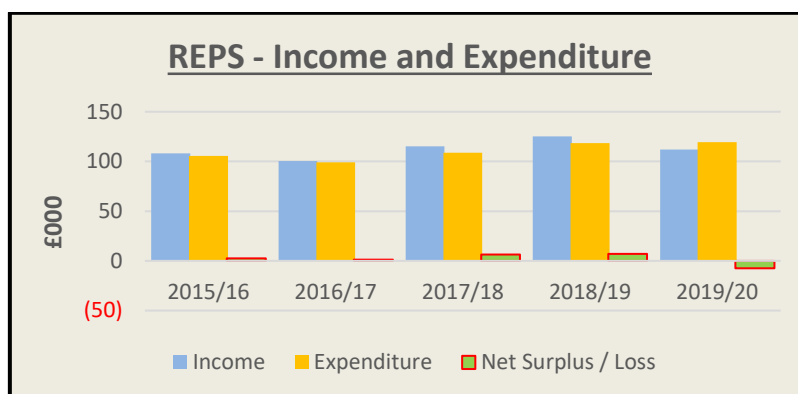
- Checking of all balances carried forward from 18/19 to 19/20, for balance sheet and bank balances
- Ensuring appropriate treatment of creditors and debtors from 18/19 to 19/20 accounts
- Review of invoices raised through to payment / adjustment and tracking invoices for income through to the relevant accounts
- Review of payments using sample checking to ensure appropriate treatment of transactions through to the relevant accounts
- Agreeing 19/20 Income and expenditure reports are summarised within the appropriate accounts
- Ensuring the balance sheet is reported appropriately
- Ensuring appropriate treatment of payments /income relating to future / past periods

It is in my opinion that these financial statements have been produced using generally accepted accounting principles.

## Observations

A few observations for 19/20.

The Preschool have suffered losses in year totalling c. £7.3k, this is primarily driven by a reduction in income of £13k in year compared to 18/19. This represents a reduction of c.10%.



The primary driver to the reduced levels of income are a reflection of reduced funding by London Borough of Greenwich (further details below).

The preschool accounts remain in a healthy position, the cash reserves of c.£73k provides sufficient cover should there be any delay in cash flow. Effectively the reserves available would cover c.7 months' worth of expenditure.

In year a **loss of £7,328** was reported

### Income

Parent Fees remained consistent with the level noted in 18/19. LBG funding reduced from £112k down to £99k in year due to a reduction in demand for places, this was due to a couple of factors

- Increased capacity of other local providers affecting demand
- COVID Impact on ability to open at full capacity

Overall income for child places has reduced by c.£12k (this represents an reduction of c.11%).

Other Income also remained constant with the levels noted in 18/19 and reflected donations of £391 and fundraising of £555.

### Expenditure

Wages have risen by 5% in year. Premises costs increased by £595 in year (6.4%) this was due to additional opening in June for children of key workers.

## **Balance Sheet Adjustments**

The pre-school have closed the account held with the Co-op in year transferring the balance to the main Lloyds current account.

Debtors show a balance of £3,058 for the payroll company, this reflects a small increase from 18/19 and a buffer of payroll costs equivalent to c.2-3 weeks.

## **Recommendation**

There is concern at the level of loss in year though it would appear that this is primarily driven by the impact of COVID on LBG income but also the reduced demand. It is recommended that the level of demand is monitored on a regular basis in the coming year to ensure sufficient income is being generated to cover the current level of spend (c.£119k per year or c.£10k per month). Work has been ongoing to ensure staffing levels are reflective of the number of children attending and it is likely that this will need to continue.

If the reported position continues into 20/21 then further actions may be required to achieve a balanced position.

Simon Hooton, FCMA, CGMA