

KESTREL UNDER FIVES PLAYGROUP

CHARITY REGISTRATION NO: 1024231

REPORT AND UNAUDITED ACCOUNTS

FOR THE YEAR ENDED 29 FEBRUARY 2024

CONTENTS	PAGE
Trustees' Report	1 - 4
Independent Examiner's Report	5
Receipts and Payments Account	6
Statement of Assets and Liabilities	7

KESTREL UNDER FIVES PLAYGROUP
REPORT OF THE TRUSTEES

The trustees are pleased to present their annual report together with the receipts and payments account of the charity for the year ended 29 February 2024.

ADMINISTRATIVE DETAILS

Registered name	Kestrel Under Fives Playgroup	
Name by which known	Kestrel Under 5s Playgroup	
Charity registration number	1024231	
Principal address	St David's Church Newton Close, Lordswood Chatham Kent, ME5 8TR	
Contact address	42 Birch Drive Lordswood Chatham Kent, ME5 8YU	
Trustees	Lisa Humphries Molly Johnson Helen Shepherd Stacey Brooker Kelly Budd Carolyn Burch Samantha Carter Dawn Holloway Ashley Oakes Abigail Simmons Joanne Snell Samantha Swain Sophie Vitorino-Clack	- Chair appointed 15 January 2024 - Secretary appointed 27 June 2023 - Treasurer appointed 3 October 2023 - appointed 3 October 2023 - appointed 7 November 2023 - appointed 27 June 2023 - appointed 15 January 2024 - resigned 27 June 2023
Independent examiner	R C Abel, FCA, CTA Aggarwal & Co Ltd 5 London Road Rainham, Gillingham Kent, ME8 7RG	
Bankers	HSBC 1/5 Week Street Maidstone Kent, ME14 1QW	

GOVERNANCE

Governing Document

The charity is an unincorporated association governed by its constitution adopted 29 October 2014. It follows the 2011 model constitution prepared by the Pre-school Learning Alliance.

Trustees

The trustees who served at any time during the year are set out above.

KESTREL UNDER FIVES PLAYGROUP REPORT OF THE TRUSTEES

Appointment of Trustees

The trustees, described in the governing document as Committee members, are elected for one year at the annual general meeting. Retiring trustees are eligible for re-election unless they have already served on the Committee in any capacity for ten consecutive years.

At least 60 per cent of the Committee members shall at the time of their election be parents or guardians of children who attend any groups run by the charity.

OBJECTS

The objects of the playgroup include the promotion of the care, safety, education, health and wellbeing of children, and the promotion of parental/carer involvement in their early education. These objectives are two-

- to put the child first always to ensure that no individual faces barriers to developing skills; and
- to empower parents to be involved with the development of their children.

and may be summarised as follows:

- (a) to provide a child-friendly environment that is safe, secure, caring and stimulating;
- (b) to enhance the intellectual development and education of children through play, by providing opportunities to explore literacy and develop verbal skills in their everyday play, to participate and experiment with both large and fine motor skills, to be creative, and to engage with numbers, colours and shapes to stimulate their cognitive skills;
- (c) to promote and encourage children to develop self-confidence and self-esteem and to feel valued as an individual;
- (d) to promote children's social, emotional and physical development through individual, parallel and cooperative play and structured activities, and to prepare them for a smooth transition from playgroup to school by encouraging personal skills development, which will help them become more independent;
- (e) to observe and plan for each child's progress regularly;
- (f) to honour parents'/carers' trust that all staff will nurture their children and give them quality care;
- (g) to work within the guidelines of the Early Years Foundation stage and to follow the guidelines and requirements of the registering bodies;
- (h) to work as partners with parents/carers and offer flexibility that allows each child's individual needs to be met; and
- (i) to make parents/carers feel welcome and provide an atmosphere where both children and adults feel happy and comfortable.

Public Benefit

In accordance with section 17(5) of the Charities Act 2011, the trustees have had due regard to the guidance published by the Charity Commission on the requirement that the objectives and work undertaken by the charity are in line with charitable objects and do provide benefit for the public.

ACTIVITIES AND ACHIEVEMENTS

Once again, this year the playgroup's key achievement has been to navigate the ongoing financial pressures we face in an environment where many other long-established Early Years providers have been forced to close their doors. Our charitable status undoubtedly serves us well in this arena, since our viability is not determined by profit but rather by remaining solvent with no detriment to the quality of childcare we provide. We, like most other organisations, have faced significant increases in running costs, including two rent increases within twelve months, but have made our best efforts to economise wherever possible to ensure playgroup's survival without compromising our standards of care.

KESTREL UNDER FIVES PLAYGROUP **REPORT OF THE TRUSTEES**

At the start of the academic year we had concerns regarding our longevity. However, this was due in part to the way the local authority pays our funding: our interim monthly payments were provisionally calculated on the previous year's figures although we started the year with more children who were eligible for funding than the previous year. This was rectified after we were able to submit our official headcount figures. In November we received the outstanding balance and monthly payments increased by £4,000, both of which returned us to a more stable financial position.

We have succeeded in continuing to provide the children in our care with a secure, happy, caring and stimulating environment where they are able to develop intellectually, emotionally and socially, and to support their families where needed in any way we can. Another notable achievement was being awarded 'Good' in all areas following an OFSTED inspection on 8th February. We owe a huge debt of gratitude to the dedication and hard work of all staff, without whom our survival and this outcome would not have been possible.

We have had several staff changes throughout the year. We said goodbye to two members of staff at the end of summer term: one much loved Auntie (then Lunch Club assistant) who retired after many years of outstanding service in both roles, and another who left to prepare for a happy new addition to her family. Another long-serving and highly experienced Auntie reduced her hours in October due to family circumstances, but happily we continue to benefit from her experience and skills for most of the week. We welcomed three new Lunch Club assistants/cover reliefs in September, two of whom stepped up in November to provide one-to-one SEN support also. Our first venture into the government's Apprenticeship Scheme last year resulted in both members of staff successfully achieving their qualification on-the-job, while another staff member achieved her qualification by studying independently outside of the workplace, and we congratulate them all on their hard work. Unfortunately, the apprenticeship scheme proved problematic administratively and added quite significantly to the workload of one of our managers; consequently, we are unlikely to sign up to this scheme again in its current form. Sadly, our other manager, who originally contracted Covid pre-lockdown/vaccine rollout, succumbed again and was seriously ill for almost three months; thankfully, she was able to return to work at the beginning of January and continues to recover well. Fifteen staff members completed Level 2 Food Hygiene and Safety training courses, some as a refresher, some as new members of staff, two undertook Paediatric First Aid courses and five completed L2 Advanced Safeguarding. Additionally, three of our senior members of staff completed their refresher Level 3 Designated Safeguarding Lead course. All these courses were funded by the playgroup at a cost of £985.

Our local reputation for exceptionally strong SEN provision was reflected once again in an increasing need this year for extra support for some children, possibly still being fuelled by the major disruption to the crucial developmental years of early childhood during the pandemic. Whatever the reason, our SEN co-ordinator responded quickly and continues to work hard to secure extra funding for one-to-one support as part of playgroup's efforts to seek out as much additional funding to enable staff to continue to give our children the developmental support all children deserve. We currently have four members of staff dedicated to supporting five children one-to-one for 47.5 hours per week and have two additional SEN funding requests being processed. The trustees are concerned that our capability to support further SEN children may be limited by the funding for this support however, which is currently £7.70 per hour and which does not cover the wages of these staff, even at the current Minimum Wage Rate. This is under review by the Committee.

Our Committee led fundraising efforts this year have raised £1,664 and we are, as always, extremely grateful for every penny contributed, particularly in view of the continuing strain on household incomes in the current economic climate. A new addition to our established fund-raising events this year was a successful pre-Christmas Toy Sale, which raised £145; unsold toys were donated to other local charities. As well as the usual Easter and Christmas presents, parties, replacement of old 'minor' equipment and craft supplies, some of the funds raised were spent on a Coronation party and commemorative presents for every child. A much more significant amount has just been spent on a set of new outdoor gym equipment, which we hope the children will enjoy for many years to come.

KESTREL UNDER FIVES PLAYGROUP REPORT OF THE TRUSTEES

Sincere thanks are also due to all those families who support our Voluntary Donations initiative and 'Helping Hands' scheme, as these funds and donations of small consumables that the playgroup needs on an ongoing basis not only allow us to continue to supply healthy snacks for the children in the face of ever rising costs but also help to offset some of the increased expenditure on cleaning and hygiene supplies. The income and donations we receive from these schemes play a vital role in allowing us to encourage our children to make healthy choices and ensure a safe and hygienic environment in which they can prosper. Income from the Voluntary Donations initiative was initially revitalised in September last year, after a noticeable decline. Efforts were made to bring to the attention of those parents and carers who feel able to contribute the enormous benefit to the children of this scheme. There was a drop off last term, but this may be because some parents donate items to our Helping Hands scheme rather than make a financial contribution. It should be said that some parents/carers have continued to donate by making contributions by direct bank transfer rather than in person, for which we are most grateful - all children benefit from the donations made by those families who do so. A major part of playgroup's ethos is that no child should be disadvantaged by their family's financial circumstances and so we truly appreciate the generosity of all donations received, be they monetary or items.

The Minimum Wage Rate increased by 9.7% in April 2023, and a decision to raise our session and lunch club fees by 50p and 25p respectively for the 2023-2024 academic year was made to try to help offset this in some small part, whilst striving also to keep quality childcare accessible to local families. Although a 2% reduction in NI basic rate for employees came into force in January, the employer rate remained at 13.8%. With a further increase of 9.8% on the MWR announced for April 2024 and with the prospect of the additional pension and NI costs associated with MWR, we already know that we shall continue to face financial challenges in the coming year. We have not yet been informed of the increase in the Local Authority Funded Hours rates for April but, based on previous years, it is very unlikely that they will come close to matching the percentage cost increases we face. We shall have more children leaving than remaining at the end of the academic year; extra sessions will be offered to current parents/carers first and we currently have fifteen children on the waiting list. It is difficult to predict the impact the new legislation rolling out from April regarding funding for 2-year-olds with working parents will have on playgroup, but this may fuel demand for places, and we hope an increase in funding rates will accompany any extra demand. The trustees are currently considering introducing a small consumables charge per session if the disparity between funding rates and running costs widens even further. Such contribution is usual practice in other local settings.

Finally, and as always, we wholeheartedly thank all parents, carers and staff for their continued support.

FINANCIAL REVIEW

Review of the Financial Position

The financial position is set out on pages 6 and 7. Receipts increased from £164,887 to £187,924. Payments increased from £158,329 to £178,267. This is for the reasons mentioned above. The result is net receipts of £9,657 compared to £6,558 in the previous year. Cash funds at the end of the year amount to £84,307.

Reserves Policy

The trustees have considered the level of reserves appropriate for the charity and concluded that they should have sufficient funds to enable expenses to be met for a normal three months should there be a delay or reduction in receiving income. The amount required is approximately £45,000. Therefore, the funds held are adequate at present.

Risks and Uncertainties

The trustees have considered the principal risks and uncertainties facing the charity, which they have assessed as:

- loss of income and increased wage and pension costs without any increase in funding from the government; and
- loss of income due to unexpected non-availability of rented premises.

KESTREL UNDER FIVES PLAYGROUP
REPORT OF THE TRUSTEES

Trustees' Responsibilities

The trustees are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations and the provisions of the constitution. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees on 4 June 2024 and signed on their behalf

H Shepherd, treasurer

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF
KESTREL UNDER FIVES PLAYGROUP**

I report to the trustees on my examination of the receipts and payments account of Kestrel Under Fives Playgroup ("the Charity") for the year ended 29 February 2024, which are set out on pages 6 to 7.

Responsibilities and basis of report

As the charity trustees of the Charity, 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 Trustee's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commissioner 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 Charity 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.



R C Abel, FCA, CTA
Aggarwal & Co
Chartered Accountants

5 London Road
Rainham
Gillingham, ME8 7RG

10 June 2024

KESTREL UNDER FIVES PLAYGROUP
RECEIPTS AND PAYMENTS ACCOUNT
FOR THE YEAR ENDED 29 FEBRUARY 2024

	2024 £	2023 £
RECEIPTS		
Receipts from charitable activities		
Voucher payments	134,399	108,992
Fees receivable	21,634	31,182
Lunch Club fees	10,450	9,335
SEN income	16,962	11,117
EYPP	2,235	915
Fundraising	1,664	1,496
Voluntary donations	543	858
Other receipts	37	992
	<hr/>	<hr/>
TOTAL RECEIPTS	187,924	164,887
PAYMENTS		
Charitable activities		
Wages and salaries	144,680	124,195
Social security costs	6,216	6,227
Employer's contributions to pension scheme	4,596	3,918
	<hr/>	<hr/>
	155,492	134,340
Hall and garage rent	11,522	12,476
Supplies	2,061	2,167
Insurance, Ofsted and data fees	1,493	1,452
Course fees	985	1,508
Telephone, dongle and photos	574	761
Petty cash	555	726
Bank charges	60	60
Accounting software	949	775
Independent examiner's fees	600	600
Equipment/special events	886	733
Medway Early Years	1,728	2,016
Miscellaneous expenses	9	415
	<hr/>	<hr/>
	176,914	158,029
Purchase of equipment	<hr/>	<hr/>
	1,353	300
TOTAL PAYMENTS	<hr/> 178,267	<hr/> 158,329
NET RECEIPTS	9,657	6,558
Cash funds at the beginning of the year	74,650	68,092
	<hr/>	<hr/>
CASH FUNDS AT THE END OF THE YEAR	<hr/> 84,307	<hr/> 74,650

KESTREL UNDER FIVES PLAYGROUP
STATEMENT OF ASSETS AND LIABILITIES
AT 29 FEBRUARY 2024

	2024 £	2023 £
UNRESTRICTED CASH FUNDS		
Cash at HSBC bank	84,253	74,591
Cash in hand	<u>54</u>	<u>59</u>
	<u>84,307</u>	<u>74,650</u>

ASSETS RETAINED FOR THE CHARITY'S OWN USE - Various play equipment

LIABILITIES - Independent examiner's fee

NOTES TO THE ACCOUNT

1 Statutory Information

Kestrel Under Fives Playgroup is registered under the Charities Act 2011. The Charity's registered number and registered office address can be found within the Trustees' Report.

The presentation currency of the financial statements is the Pound Sterling (£).

2 Accounting Policies

(a) Basis of accounting

The accounts have been prepared on the receipts and payments basis under the historical cost convention and in accordance with the Charities Act 2011 and the Charities Statement of Recommended Practice (FRS 102).

(b) Funds structure

All funds are unrestricted income funds.

3 Trustee Remuneration

The charity trustees were not paid or reimbursed expenses during the year and no charity trustee received any emolument or payment for professional or other services.

4 Taxation

The charity is a registered charity and no provision is considered necessary for taxation.

Approved by the trustees on 24 May 2024 and signed on their behalf

H Shepherd, treasurer