

**TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021
FOR
PIPPIN PLAYGROUP**

PIPPIN PLAYGROUP

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Page
Trustees' Report	1 to 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Cash Flow Statement	8
Notes to the Cash Flow Statement	9
Notes to the Financial Statements	10 to 16
Detailed Statement of Financial Activities	17 to 18

PIPPIN PLAYGROUP

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Pippin Playgroup's aims are to provide a safe, secure, nurturing environment for children aged 2 - 4 years old. We offer wraparound care which includes a breakfast club, lunch club, after-school club and holiday club. The wraparound sessions are for children aged 2 - 9 years old.

The pre-school is run by a committee and is a community based group, with the aim to include parents in all aspects of running the group.

We aim to provide affordable childcare by keeping the session fees as low as possible whilst covering running costs.

The staff team are committed to ensuring that all the children attending Pippin Playgroup are given the opportunity to learn and develop, accessing a varied curriculum of activities from the Early Years Foundation Stage guidance and encouraging them to learn and to reach their full potential.

We have staff qualified to support children with special educational needs and speech and language difficulties.

We support the children in learning about healthy eating and physical exercise by planning activities to promote them within our curriculum.

Public benefit

The trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities, and in particular, the specific guidance on charities for the advancement of education.

The main beneficiaries of Pippin Playgroup are the children attending the pre-school from the local area who receive a high standard level of care from a charity with a low turnover of staff and a very high level knowledge of the Early Years Foundation Stage Framework and hold all the relevant qualifications to ensure inclusive practise of high quality childcare.

Parents benefit from their children receiving affordable childcare that promotes independence, resilience and self-esteem.

Pippin Playgroup currently provide pre-school places for 87 children, and wrap-around care for 155 children.

PIPPIN PLAYGROUP

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

ACHIEVEMENT AND PERFORMANCE

Achievement and performance

Pippin has supported more members of staff this year to embark on qualifications to enhance their professional and personal development. The qualifications completed this year have been two level 2, two level 3 and one level 4 in childcare. We currently have 1 member of staff working towards their level 3 qualification in childcare and 1 working towards level 5 as a senior practitioner.

COVID-19 has had a big effect on Pippin this year, due to the pandemic for the first time ever since Pippin was established we had to close our services in March 2020. This decision was made in line with government guidance, the restrictions placed on building space and staff welfare. We were very happy to be able to open again on the 1st June 2020, although this was for pre-school children only in accordance with the government guidance. We were not able to offer our wraparound care sessions or holiday club sessions for the rest of the academic year.

During these very unprecedented times, although we were open from 1st June, some parents continued to keep their children at home. With this in mind, Pippin found a different way to ensure we kept in touch with the children at home. We made packs of resources for parents to collect, the presentations we would normally do for children moving onto big school and for new starters joining us in September had to be sent out as slide shows via email. To help the new starters, we had a virtual tour made and this is now found on our website for all our Pippin families to view. We invited parents at home, via our online Tapestry programme, to work on the children's next steps to help the children progress and reach their developmental targets. The children who move onto big school normally have a graduation photo taken. Due to the pandemic we had a 'seaside' board made which was painted with the graduation gown and scroll, the children were then asked to visit Pippin outside to pop their heads through the face hole and had their photos taken.

During the pandemic lockdowns, we had to put some staff on furlough. We continued to keep in touch with all the staff on furlough via welfare telephone calls, emails and our website.

To try to keep the children and staff as safe as possible whilst attending our setting, extra hygiene measures were put in place. We stopped anyone entering our premises other than the children and staff. Parents were asked not to enter the premises unless absolutely necessary. All staff, children and anyone else coming into the setting (parents/maintenance workers) had to take their temperature on entering the building. All toys and resources used in each session had to be cleaned on a daily basis. We did also close on a Friday to be able to have a deep clean of the building take place.

Although we have had a very different year, the children have still accessed the curriculum in various ways and have progressed. All the children have learned about the pandemic and have adapted to new routines very well.

Due to the closure and limited services we could offer, we have been aware of the financial impact and have put on hold some planned cosmetic building maintenance including, painting the interior, changing some carpet areas to hard flooring and replacing some laptops/computers. All these plans will be revisited in the next academic year. The committee along with the management team took the decision to not implement a pay rise when the review was conducted in June.

FINANCIAL REVIEW

Financial position

During the year, Pippin Playgroup generated incoming resources totalling £501,971 (2020 - £462,995). This income is made up of parents contributions totalling £190,457 (2020 - £176,362), government funding totalling £260,013 (2020 - £236,421), government grants totalling £48,576 (2020 - £47,691), fundraising events totalling £2,906 (2020 - £2,452) and interest on savings accounts of £19 (2020 - £69).

Outgoing resources for the year totalled £493,858 (2020 - £522,407) with the majority of resources being spent towards staff costs totalling £439,568 (2020 - £457,742).

At the reporting date, the Charity had net current assets of £398,152 (2020 - £389,639), which includes £423,992 (2020 - £413,907) held in bank accounts.

Principal funding sources

Primary funding is provided through fees paid by the parents of the children who attend the pre-school.

Central Bedfordshire council also provide funding in respect of eligible children covered under a Government childcare initiative.

Pippin Playgroup is also provided with the use of a building with which to provide its services to the community, which is provided by Central Bedfordshire Council and is managed by the pre-school manager and committee.

Reserves policy

At the reporting date, Pippin Playgroup held a restricted fund of £260,000 (2020 - £260,000).

This fund is held separately as contingency to secure an alternative premises if required, to continue to deliver the capabilities of the Playschool.

PIPPIN PLAYGROUP

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

FINANCIAL REVIEW

Going concern

The Trustees have considered the ability of the Charity to continue as a going concern.

The current Covid-19 pandemic forced the closure of the Pre-school from 25th March 2020. We opened again on the 1st June 2020 with a capped number of children totalling 25 each day.

Pippin Playgroup had sufficient cash reserves to support itself throughout the period of closure, restricted funds can be called upon in any case of a prolonged emergency situation, and we therefore believe it is appropriate to report on a going concern basis.

FUTURE PLANS

The plans for the following year are to replace the carpet areas to hard flooring, to become more durable and hygienic. To have the exterior of the building painted, again for durability. We would like to have a pet at Pippin for the children to help look after and this will ensure that our children who do not have the opportunity to have pets at home, have the experience of caring for and them in our setting.

We intend on inviting in people from different occupations i.e. police, firefighters and doctors, this will enhance their curriculum and extend their learning. We would like to purchase some more iPads for the children's use and carryout fund raising to be able to have a defibrillator on our premises.

We need to renew all the practitioners first aid qualifications before December 2021 and I plan to have a First Aid trainer come into the setting to deliver this in house.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Governance and Management

Day to day running of the Charity's activities is delegated by the Trustees to the pre-school manager.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error

The Charity relies on consistent intake of children between 2 - 4 years of age to attend the pre-school. The Charity therefore relies on good and consistent birth rates within the Bedfordshire area to maintain the children intake, of which no issues has arisen in the past or immediate future.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1028855

Principal address

Buttercup Road
Stotfold
Hitchin
Herts
SG5 4PF

PIPPIN PLAYGROUP

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees

Mrs R Bell (resigned 7.10.2021)
Mrs M Herlihy (resigned 7.10.2021)
Mrs J Wood (resigned 7.10.2021)
Mrs A Saunders (resigned 7.10.2021)
Ms L Farrell
Ms L Clark (resigned 7.10.2021)
Ms L De Necker (resigned 7.10.2021)
Ms K Moore (resigned 7.10.2021)
Mr C Barnes (appointed 7.10.2021)
Ms W Ho (appointed 7.10.2021)
Ms T Curtis (appointed 7.10.2021)
Ms K Adams (appointed 1.9.2020)

On 1 September 2020, Ms K Adams was appointed to the board of Trustees.

On 7 October 2021, Mr C Barnes, Ms W-C Ho and Ms T Curtis were appointed to the board of Trustees.

Independent Examiner

Jones Hunt & Keelings
Chartered Certified Accountants and
Chartered Tax Advisers
71 Knowl Piece
Wilbury Way
Hitchin
SG4 0TY

Approved by order of the board of trustees on 23 June 2022 and signed on its behalf by:

C Barnes - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PIPPIN PLAYGROUP

Independent examiner's report to the trustees of Pippin Playgroup

I report to the charity trustees on my examination of the accounts of Pippin Playgroup (the Trust) for the year ended 31 August 2021.

Responsibilities and basis of report

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 Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Association of Chartered Certified Accountants which is one of the listed bodies.

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:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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.

Alfonso Del Basso
Association of Chartered Certified Accountants
Jones Hunt & Keelings
Chartered Certified Accountants and
Chartered Tax Advisers
71 Knowl Piece
Wilbury Way
Hitchin
SG4 0TY

23 June 2022

PIPPIN PLAYGROU

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Parents contributions	4	190,457	-	190,457	176,362
Council funding		260,013	-	260,013	236,421
Government grants		48,576	-	48,576	47,691
Other trading activities	2	2,906	-	2,906	2,452
Investment income	3	<u>19</u>	<u>-</u>	<u>19</u>	<u>69</u>
Total		501,971	-	501,971	462,995
EXPENDITURE ON					
Charitable activities					
Governance costs	5	3,300	-	3,300	2,700
Charitable activities		50,990	-	50,990	61,965
Staff costs		<u>439,568</u>	<u>-</u>	<u>439,568</u>	<u>457,742</u>
Total		493,858	-	493,858	522,407
NET INCOME/(EXPENDITURE)		8,113	-	8,113	(59,412)
RECONCILIATION OF FUNDS					
Total funds brought forward		134,873	260,000	394,873	454,285
TOTAL FUNDS CARRIED FORWARD		<u>142,986</u>	<u>260,000</u>	<u>402,986</u>	<u>394,873</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

PIPPIN PLAYGROUP

**BALANCE SHEET
31 AUGUST 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	11	4,834	-	4,834	5,234
CURRENT ASSETS					
Debtors	12	9,515	-	9,515	4,294
Cash at bank		<u>163,992</u>	<u>260,000</u>	<u>423,992</u>	<u>413,907</u>
		173,507	260,000	433,507	418,201
CREDITORS					
Amounts falling due within one year	13	(35,355)	-	(35,355)	(28,562)
NET CURRENT ASSETS		<u>138,152</u>	<u>260,000</u>	<u>398,152</u>	<u>389,639</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>142,986</u>	<u>260,000</u>	<u>402,986</u>	<u>394,873</u>
NET ASSETS		<u>142,986</u>	<u>260,000</u>	<u>402,986</u>	<u>394,873</u>
FUNDS	14				
Unrestricted funds				142,986	134,873
Restricted funds				<u>260,000</u>	<u>260,000</u>
TOTAL FUNDS				<u>402,986</u>	<u>394,873</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23 June 2022 and were signed on its behalf by:

C Barnes - Trustee

PIPPIN PLAYGROUP

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>13,687</u>	<u>(45,939)</u>
Net cash provided by/(used in) operating activities		<u>13,687</u>	<u>(45,939)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,736)	(2,001)
Sale of tangible fixed assets		115	-
Interest received		<u>19</u>	<u>69</u>
Net cash used in investing activities		<u>(3,602)</u>	<u>(1,932)</u>
Change in cash and cash equivalents in the reporting period		10,085	(47,871)
Cash and cash equivalents at the beginning of the reporting period		<u>413,907</u>	<u>461,778</u>
Cash and cash equivalents at the end of the reporting period		<u><u>423,992</u></u>	<u><u>413,907</u></u>

The notes form part of these financial statements

PIPPIN PLAYGROUP

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	8,113	(59,412)
Adjustments for:		
Depreciation charges	4,136	6,108
Profit on disposal of fixed assets	(115)	-
Interest received	(19)	(69)
(Increase)/decrease in debtors	(5,221)	10,513
Increase/(decrease) in creditors	<u>6,793</u>	<u>(3,079)</u>
Net cash provided by/(used in) operations	<u>13,687</u>	<u>(45,939)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.20	Cash flow	At 31.8.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>413,907</u>	<u>10,085</u>	<u>423,992</u>
	<u>413,907</u>	<u>10,085</u>	<u>423,992</u>
Total	<u>413,907</u>	<u>10,085</u>	<u>423,992</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The presentation currency of the financial statements is the pound sterling (£).

Significant judgements and estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. In the Director's opinion, there are no significant judgements or key sources of estimation uncertainty.

Financial instruments

The company only enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 33% on cost
Computer equipment	- 33% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

PIPPIN PLAYGROUP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES - continued

Government grants

Government grants have been accounted for under the accrual model, recognised as other income against the period to which they relate.

2. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising events	<u>2,906</u>	<u>2,452</u>

3. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>19</u>	<u>69</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Parents contributions	190,457	176,362
Funding	260,013	236,421
Grants	<u>48,576</u>	<u>47,691</u>
	<u>499,046</u>	<u>460,474</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Coronavirus Small Business Grant Fund	-	10,000
Coronavirus Job Retention Scheme	21,886	37,691
Coronavirus Discretionary Grant	<u>26,690</u>	<u>-</u>
	<u>48,576</u>	<u>47,691</u>

5. CHARITABLE ACTIVITIES COSTS

Governance costs	£	Support costs (see note 6)
Charitable activities	3,300	£
	<u>50,990</u>	<u>54,290</u>

PIPPIN PLAYGROUP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

6. SUPPORT COSTS

	Management £	Information technology £	Property expenditure £	Governance costs £	Totals £
Governance costs	-	-	-	3,300	3,300
Charitable activities	14,869	5,789	26,017	4,315	50,990
	<u>14,869</u>	<u>5,789</u>	<u>26,017</u>	<u>7,615</u>	<u>54,290</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

8. STAFF COSTS

	2021 £	2020 £
Wages and salaries	407,141	423,183
Social security costs	18,387	20,906
Other pension costs	9,291	10,199
	<u>434,819</u>	<u>454,288</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Staff	<u>30</u>	<u>33</u>

No employees received emoluments in excess of £60,000.

Staff costs also include £1,582 (2020 - £1,144) for staff uniforms and £3,167 (2020 - £2,310) for staff training.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Parents contributions	176,362	-	176,362
Council funding	236,421	-	236,421
Government grants	47,691	-	47,691
Other trading activities	2,452	-	2,452
Investment income	<u>69</u>	<u>-</u>	<u>69</u>
Total	462,995	-	462,995
EXPENDITURE ON			
Charitable activities			
Governance costs	2,700	-	2,700
Charitable activities	61,965	-	61,965
Staff costs	<u>457,742</u>	<u>-</u>	<u>457,742</u>
Total	<u>522,407</u>	<u>-</u>	<u>522,407</u>

PIPPIN PLAYGROUP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
NET INCOME/(EXPENDITURE)	(59,412)	-	(59,412)

RECONCILIATION OF FUNDS

Total funds brought forward	194,285	260,000	454,285
TOTAL FUNDS CARRIED FORWARD	<u>134,873</u>	<u>260,000</u>	<u>394,873</u>

10. GOVERNANCE COSTS

Governance costs includes:

	2021 £	2020 £
Independent Examiner's remuneration	600	600
Independent Examiner's remuneration for other services	<u>2,700</u>	<u>2,100</u>

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 September 2020	38,952	17,463	56,415
Additions	1,451	2,285	3,736
Disposals	<u>(4,282)</u>	<u>(4,075)</u>	<u>(8,357)</u>
At 31 August 2021	<u>36,121</u>	<u>15,673</u>	<u>51,794</u>
DEPRECIATION			
At 1 September 2020	34,752	16,429	51,181
Charge for year	3,170	851	4,021
Eliminated on disposal	<u>(4,232)</u>	<u>(4,010)</u>	<u>(8,242)</u>
At 31 August 2021	<u>33,690</u>	<u>13,270</u>	<u>46,960</u>
NET BOOK VALUE			
At 31 August 2021	<u>2,431</u>	<u>2,403</u>	<u>4,834</u>
At 31 August 2020	<u>4,200</u>	<u>1,034</u>	<u>5,234</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	7,066	2,859
Other debtors and prepayments	<u>2,449</u>	<u>1,435</u>
	<u>9,515</u>	<u>4,294</u>

PIPPIN PLAYGROUP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	1,471	1,445
Accruals and deferred income	26,746	23,798
Other creditors and accruals	<u>7,138</u>	<u>3,319</u>
	<u>35,355</u>	<u>28,562</u>

Accruals and deferred income relates to childrens pre-school and wrap-care fees received in respect of the following academic year commencing September 2021 (2020 - September 2020).

14. MOVEMENT IN FUNDS

	At 1.9.20	Net movement in funds	At 31.8.21
	£	£	£
Unrestricted funds			
General fund	134,873	8,113	142,986
Restricted funds			
Property fund	250,000	-	250,000
Resources fund	<u>10,000</u>	<u>-</u>	<u>10,000</u>
	<u>260,000</u>	<u>-</u>	<u>260,000</u>
TOTAL FUNDS	<u>394,873</u>	<u>8,113</u>	<u>402,986</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	501,971	(493,858)	8,113
TOTAL FUNDS	<u>501,971</u>	<u>(493,858)</u>	<u>8,113</u>

Comparatives for movement in funds

	At 1.9.19	Net movement in funds	At 31.8.20
	£	£	£
Unrestricted funds			
General fund	194,285	(59,412)	134,873
Restricted funds			
Property fund	250,000	-	250,000
Resources fund	<u>10,000</u>	<u>-</u>	<u>10,000</u>
	<u>260,000</u>	<u>-</u>	<u>260,000</u>
TOTAL FUNDS	<u>454,285</u>	<u>(59,412)</u>	<u>394,873</u>

PIPPIN PLAYGROUP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

14. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	462,995	(522,407)	(59,412)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>462,995</u>	<u>(522,407)</u>	<u>(59,412)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.19 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	194,285	(51,299)	142,986
Restricted funds			
Property fund	250,000	-	250,000
Resources fund	<u>10,000</u>	<u>-</u>	<u>10,000</u>
	<u>260,000</u>	<u>-</u>	<u>260,000</u>
TOTAL FUNDS	<u>454,285</u>	<u>(51,299)</u>	<u>402,986</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	964,966	(1,016,265)	(51,299)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>964,966</u>	<u>(1,016,265)</u>	<u>(51,299)</u>

15. EMPLOYEE BENEFIT OBLIGATIONS

The Charity operates an auto-enrolment pension scheme for the benefit of its employees. During the year, the Charity contributed £9,291 (2020 - £10,199).

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2021.

17. ULTIMATE CONTROLLING PARTY

The charity is controlled by the trustees.

PIPPIN PLAYGROUP

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Other trading activities		
Fundraising events	2,906	2,452
Investment income		
Deposit account interest	19	69
Charitable activities		
Parents contributions	190,457	176,362
Funding	260,013	236,421
Grants	<u>48,576</u>	<u>47,691</u>
	499,046	460,474
Total incoming resources	501,971	462,995
EXPENDITURE		
Staff costs		
Wages	407,141	423,183
Social security	18,387	20,906
Pensions	9,291	10,199
Uniform	1,582	1,144
Staff training	<u>3,167</u>	<u>2,310</u>
	439,568	457,742
Support costs		
Management		
Food and drink	4,227	3,170
Toys and books	3,529	3,546
Telephone	2,547	3,501
Postage and stationery	3,180	3,896
Sundries	1,228	1,039
Travel expenses	<u>158</u>	<u>239</u>
	14,869	15,391
Information technology		
Website and software	4,873	6,150
Computer equipment	<u>916</u>	<u>1,026</u>
	5,789	7,176
Property expenditure		
Rent, rates and water	662	1,266
Light and heat	2,241	2,141
Repairs, equipment and resources	14,785	20,643
Insurance, licences and subscriptions	5,109	5,129
Depreciation of fixtures and fittings	<u>3,220</u>	<u>5,082</u>
	26,017	34,261
Governance costs		
Legal and professional fees	4,315	5,137
Carried forward	4,315	5,137

PIPPIN PLAYGROUP

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

	2021	2020
	£	£
Governance costs		
Brought forward	4,315	5,137
Examiner's remuneration	600	600
Accountancy	<u>2,700</u>	<u>2,100</u>
	<u>7,615</u>	<u>7,837</u>
Total resources expended	<u>493,858</u>	<u>522,407</u>
Net income/(expenditure)	<u><u>8,113</u></u>	<u><u>(59,412)</u></u>

**TRUSTEES' REPORT AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021
FOR
PIPPIN PLAYGROUP**

PIPPIN PLAYGROUP

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

	Page
Trustees' Report	1 to 4
Independent Examiner's Report	5
Statement of Financial Activities	6
Balance Sheet	7
Cash Flow Statement	8
Notes to the Cash Flow Statement	9
Notes to the Financial Statements	10 to 16
Detailed Statement of Financial Activities	17 to 18

PIPPIN PLAYGROUP

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

The trustees present their report with the financial statements of the charity for the year ended 31 August 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

Pippin Playgroup's aims are to provide a safe, secure, nurturing environment for children aged 2 - 4 years old. We offer wraparound care which includes a breakfast club, lunch club, after-school club and holiday club. The wraparound sessions are for children aged 2 - 9 years old.

The pre-school is run by a committee and is a community based group, with the aim to include parents in all aspects of running the group.

We aim to provide affordable childcare by keeping the session fees as low as possible whilst covering running costs.

The staff team are committed to ensuring that all the children attending Pippin Playgroup are given the opportunity to learn and develop, accessing a varied curriculum of activities from the Early Years Foundation Stage guidance and encouraging them to learn and to reach their full potential.

We have staff qualified to support children with special educational needs and speech and language difficulties.

We support the children in learning about healthy eating and physical exercise by planning activities to promote them within our curriculum.

Public benefit

The trustees have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities, and in particular, the specific guidance on charities for the advancement of education.

The main beneficiaries of Pippin Playgroup are the children attending the pre-school from the local area who receive a high standard level of care from a charity with a low turnover of staff and a very high level knowledge of the Early Years Foundation Stage Framework and hold all the relevant qualifications to ensure inclusive practise of high quality childcare.

Parents benefit from their children receiving affordable childcare that promotes independence, resilience and self-esteem.

Pippin Playgroup currently provide pre-school places for 87 children, and wrap-around care for 155 children.

PIPPIN PLAYGROUP

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

ACHIEVEMENT AND PERFORMANCE

Achievement and performance

Pippin has supported more members of staff this year to embark on qualifications to enhance their professional and personal development. The qualifications completed this year have been two level 2, two level 3 and one level 4 in childcare. We currently have 1 member of staff working towards their level 3 qualification in childcare and 1 working towards level 5 as a senior practitioner.

COVID-19 has had a big effect on Pippin this year, due to the pandemic for the first time ever since Pippin was established we had to close our services in March 2020. This decision was made in line with government guidance, the restrictions placed on building space and staff welfare. We were very happy to be able to open again on the 1st June 2020, although this was for pre-school children only in accordance with the government guidance. We were not able to offer our wraparound care sessions or holiday club sessions for the rest of the academic year.

During these very unprecedented times, although we were open from 1st June, some parents continued to keep their children at home. With this in mind, Pippin found a different way to ensure we kept in touch with the children at home. We made packs of resources for parents to collect, the presentations we would normally do for children moving onto big school and for new starters joining us in September had to be sent out as slide shows via email. To help the new starters, we had a virtual tour made and this is now found on our website for all our Pippin families to view. We invited parents at home, via our online Tapestry programme, to work on the children's next steps to help the children progress and reach their developmental targets. The children who move onto big school normally have a graduation photo taken. Due to the pandemic we had a 'seaside' board made which was painted with the graduation gown and scroll, the children were then asked to visit Pippin outside to pop their heads through the face hole and had their photos taken.

During the pandemic lockdowns, we had to put some staff on furlough. We continued to keep in touch with all the staff on furlough via welfare telephone calls, emails and our website.

To try to keep the children and staff as safe as possible whilst attending our setting, extra hygiene measures were put in place. We stopped anyone entering our premises other than the children and staff. Parents were asked not to enter the premises unless absolutely necessary. All staff, children and anyone else coming into the setting (parents/maintenance workers) had to take their temperature on entering the building. All toys and resources used in each session had to be cleaned on a daily basis. We did also close on a Friday to be able to have a deep clean of the building take place.

Although we have had a very different year, the children have still accessed the curriculum in various ways and have progressed. All the children have learned about the pandemic and have adapted to new routines very well.

Due to the closure and limited services we could offer, we have been aware of the financial impact and have put on hold some planned cosmetic building maintenance including, painting the interior, changing some carpet areas to hard flooring and replacing some laptops/computers. All these plans will be revisited in the next academic year. The committee along with the management team took the decision to not implement a pay rise when the review was conducted in June.

FINANCIAL REVIEW

Financial position

During the year, Pippin Playgroup generated incoming resources totalling £501,971 (2020 - £462,995). This income is made up of parents contributions totalling £190,457 (2020 - £176,362), government funding totalling £260,013 (2020 - £236,421), government grants totalling £48,576 (2020 - £47,691), fundraising events totalling £2,906 (2020 - £2,452) and interest on savings accounts of £19 (2020 - £69).

Outgoing resources for the year totalled £493,858 (2020 - £522,407) with the majority of resources being spent towards staff costs totalling £439,568 (2020 - £457,742).

At the reporting date, the Charity had net current assets of £398,152 (2020 - £389,639), which includes £423,992 (2020 - £413,907) held in bank accounts.

Principal funding sources

Primary funding is provided through fees paid by the parents of the children who attend the pre-school.

Central Bedfordshire council also provide funding in respect of eligible children covered under a Government childcare initiative.

Pippin Playgroup is also provided with the use of a building with which to provide its services to the community, which is provided by Central Bedfordshire Council and is managed by the pre-school manager and committee.

Reserves policy

At the reporting date, Pippin Playgroup held a restricted fund of £260,000 (2020 - £260,000).

This fund is held separately as contingency to secure an alternative premises if required, to continue to deliver the capabilities of the Playschool.

PIPPIN PLAYGROUP

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2021

FINANCIAL REVIEW

Going concern

The Trustees have considered the ability of the Charity to continue as a going concern.

The current Covid-19 pandemic forced the closure of the Pre-school from 25th March 2020. We opened again on the 1st June 2020 with a capped number of children totalling 25 each day.

Pippin Playgroup had sufficient cash reserves to support itself throughout the period of closure, restricted funds can be called upon in any case of a prolonged emergency situation, and we therefore believe it is appropriate to report on a going concern basis.

FUTURE PLANS

The plans for the following year are to replace the carpet areas to hard flooring, to become more durable and hygienic. To have the exterior of the building painted, again for durability. We would like to have a pet at Pippin for the children to help look after and this will ensure that our children who do not have the opportunity to have pets at home, have the experience of caring for and them in our setting.

We intend on inviting in people from different occupations i.e. police, firefighters and doctors, this will enhance their curriculum and extend their learning. We would like to purchase some more iPads for the children's use and carryout fund raising to be able to have a defibrillator on our premises.

We need to renew all the practitioners first aid qualifications before December 2021 and I plan to have a First Aid trainer come into the setting to deliver this in house.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

Governance and Management

Day to day running of the Charity's activities is delegated by the Trustees to the pre-school manager.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error

The Charity relies on consistent intake of children between 2 - 4 years of age to attend the pre-school. The Charity therefore relies on good and consistent birth rates within the Bedfordshire area to maintain the children intake, of which no issues has arisen in the past or immediate future.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1028855

Principal address

Buttercup Road
Stotfold
Hitchin
Herts
SG5 4PF

PIPPIN PLAYGROUP

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees

Mrs R Bell (resigned 7.10.2021)
Mrs M Herlihy (resigned 7.10.2021)
Mrs J Wood (resigned 7.10.2021)
Mrs A Saunders (resigned 7.10.2021)
Ms L Farrell
Ms L Clark (resigned 7.10.2021)
Ms L De Necker (resigned 7.10.2021)
Ms K Moore (resigned 7.10.2021)
Mr C Barnes (appointed 7.10.2021)
Ms W Ho (appointed 7.10.2021)
Ms T Curtis (appointed 7.10.2021)
Ms K Adams (appointed 1.9.2020)

On 1 September 2020, Ms K Adams was appointed to the board of Trustees.

On 7 October 2021, Mr C Barnes, Ms W-C Ho and Ms T Curtis were appointed to the board of Trustees.

Independent Examiner

Jones Hunt & Keelings
Chartered Certified Accountants and
Chartered Tax Advisers
71 Knowl Piece
Wilbury Way
Hitchin
SG4 0TY

Approved by order of the board of trustees on 23 June 2022 and signed on its behalf by:

C Barnes - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PIPPIN PLAYGROUP

Independent examiner's report to the trustees of Pippin Playgroup

I report to the charity trustees on my examination of the accounts of Pippin Playgroup (the Trust) for the year ended 31 August 2021.

Responsibilities and basis of report

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 Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Association of Chartered Certified Accountants which is one of the listed bodies.

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:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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.

Alfonso Del Basso
Association of Chartered Certified Accountants
Jones Hunt & Keelings
Chartered Certified Accountants and
Chartered Tax Advisers
71 Knowl Piece
Wilbury Way
Hitchin
SG4 0TY

23 June 2022

PIPPIN PLAYGROU

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Parents contributions	4	190,457	-	190,457	176,362
Council funding		260,013	-	260,013	236,421
Government grants		48,576	-	48,576	47,691
Other trading activities	2	2,906	-	2,906	2,452
Investment income	3	<u>19</u>	<u>-</u>	<u>19</u>	<u>69</u>
Total		501,971	-	501,971	462,995
EXPENDITURE ON					
Charitable activities					
Governance costs	5	3,300	-	3,300	2,700
Charitable activities		50,990	-	50,990	61,965
Staff costs		<u>439,568</u>	<u>-</u>	<u>439,568</u>	<u>457,742</u>
Total		493,858	-	493,858	522,407
NET INCOME/(EXPENDITURE)		8,113	-	8,113	(59,412)
RECONCILIATION OF FUNDS					
Total funds brought forward		134,873	260,000	394,873	454,285
TOTAL FUNDS CARRIED FORWARD		<u>142,986</u>	<u>260,000</u>	<u>402,986</u>	<u>394,873</u>

CONTINUING OPERATIONS

All income and expenditure has arisen from continuing activities.

PIPPIN PLAYGROUP

**BALANCE SHEET
31 AUGUST 2021**

	Notes	Unrestricted fund £	Restricted funds £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	11	4,834	-	4,834	5,234
CURRENT ASSETS					
Debtors	12	9,515	-	9,515	4,294
Cash at bank		<u>163,992</u>	<u>260,000</u>	<u>423,992</u>	<u>413,907</u>
		173,507	260,000	433,507	418,201
CREDITORS					
Amounts falling due within one year	13	(35,355)	-	(35,355)	(28,562)
NET CURRENT ASSETS		<u>138,152</u>	<u>260,000</u>	<u>398,152</u>	<u>389,639</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>142,986</u>	<u>260,000</u>	<u>402,986</u>	394,873
NET ASSETS		<u>142,986</u>	<u>260,000</u>	<u>402,986</u>	<u>394,873</u>
FUNDS	14				
Unrestricted funds				142,986	134,873
Restricted funds				<u>260,000</u>	<u>260,000</u>
TOTAL FUNDS				<u>402,986</u>	<u>394,873</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 23 June 2022 and were signed on its behalf by:

C Barnes - Trustee

PIPPIN PLAYGROUP

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	<u>13,687</u>	<u>(45,939)</u>
Net cash provided by/(used in) operating activities		<u>13,687</u>	<u>(45,939)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,736)	(2,001)
Sale of tangible fixed assets		115	-
Interest received		<u>19</u>	<u>69</u>
Net cash used in investing activities		<u>(3,602)</u>	<u>(1,932)</u>
Change in cash and cash equivalents in the reporting period		10,085	(47,871)
Cash and cash equivalents at the beginning of the reporting period		<u>413,907</u>	<u>461,778</u>
Cash and cash equivalents at the end of the reporting period		<u><u>423,992</u></u>	<u><u>413,907</u></u>

The notes form part of these financial statements

PIPPIN PLAYGROUP

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2021**

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2021	2020
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	8,113	(59,412)
Adjustments for:		
Depreciation charges	4,136	6,108
Profit on disposal of fixed assets	(115)	-
Interest received	(19)	(69)
(Increase)/decrease in debtors	(5,221)	10,513
Increase/(decrease) in creditors	<u>6,793</u>	<u>(3,079)</u>
Net cash provided by/(used in) operations	<u>13,687</u>	<u>(45,939)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.20	Cash flow	At 31.8.21
	£	£	£
Net cash			
Cash at bank and in hand	<u>413,907</u>	<u>10,085</u>	<u>423,992</u>
	<u>413,907</u>	<u>10,085</u>	<u>423,992</u>
Total	<u>413,907</u>	<u>10,085</u>	<u>423,992</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The presentation currency of the financial statements is the pound sterling (£).

Significant judgements and estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. In the Director's opinion, there are no significant judgements or key sources of estimation uncertainty.

Financial instruments

The company only enters into basic financial instruments that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Profit and Loss Account.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 33% on cost
Computer equipment	- 33% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

PIPPIN PLAYGROUP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

1. ACCOUNTING POLICIES - continued

Government grants

Government grants have been accounted for under the accrual model, recognised as other income against the period to which they relate.

2. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising events	<u>2,906</u>	<u>2,452</u>

3. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	<u>19</u>	<u>69</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
Parents contributions	190,457	176,362
Funding	260,013	236,421
Grants	<u>48,576</u>	<u>47,691</u>
	<u>499,046</u>	<u>460,474</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Coronavirus Small Business Grant Fund	-	10,000
Coronavirus Job Retention Scheme	21,886	37,691
Coronavirus Discretionary Grant	<u>26,690</u>	<u>-</u>
	<u>48,576</u>	<u>47,691</u>

5. CHARITABLE ACTIVITIES COSTS

	Support costs (see note 6)
	£
Governance costs	3,300
Charitable activities	<u>50,990</u>
	<u>54,290</u>

PIPPIN PLAYGROUP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

6. SUPPORT COSTS

	Management £	Information technology £	Property expenditure £	Governance costs £	Totals £
Governance costs	-	-	-	3,300	3,300
Charitable activities	14,869	5,789	26,017	4,315	50,990
	<u>14,869</u>	<u>5,789</u>	<u>26,017</u>	<u>7,615</u>	<u>54,290</u>

7. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2021 nor for the year ended 31 August 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2021 nor for the year ended 31 August 2020.

8. STAFF COSTS

	2021 £	2020 £
Wages and salaries	407,141	423,183
Social security costs	18,387	20,906
Other pension costs	9,291	10,199
	<u>434,819</u>	<u>454,288</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Staff	<u>30</u>	<u>33</u>

No employees received emoluments in excess of £60,000.

Staff costs also include £1,582 (2020 - £1,144) for staff uniforms and £3,167 (2020 - £2,310) for staff training.

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Parents contributions	176,362	-	176,362
Council funding	236,421	-	236,421
Government grants	47,691	-	47,691
Other trading activities	2,452	-	2,452
Investment income	<u>69</u>	<u>-</u>	<u>69</u>
Total	462,995	-	462,995
EXPENDITURE ON			
Charitable activities			
Governance costs	2,700	-	2,700
Charitable activities	61,965	-	61,965
Staff costs	<u>457,742</u>	<u>-</u>	<u>457,742</u>
Total	<u>522,407</u>	<u>-</u>	<u>522,407</u>

PIPPIN PLAYGROUP

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021

9. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted funds £	Total funds £
NET INCOME/(EXPENDITURE)	(59,412)	-	(59,412)

RECONCILIATION OF FUNDS

Total funds brought forward	194,285	260,000	454,285
TOTAL FUNDS CARRIED FORWARD	<u>134,873</u>	<u>260,000</u>	<u>394,873</u>

10. GOVERNANCE COSTS

Governance costs includes:

	2021 £	2020 £
Independent Examiner's remuneration	600	600
Independent Examiner's remuneration for other services	<u>2,700</u>	<u>2,100</u>

11. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 September 2020	38,952	17,463	56,415
Additions	1,451	2,285	3,736
Disposals	<u>(4,282)</u>	<u>(4,075)</u>	<u>(8,357)</u>
At 31 August 2021	<u>36,121</u>	<u>15,673</u>	<u>51,794</u>
DEPRECIATION			
At 1 September 2020	34,752	16,429	51,181
Charge for year	3,170	851	4,021
Eliminated on disposal	<u>(4,232)</u>	<u>(4,010)</u>	<u>(8,242)</u>
At 31 August 2021	<u>33,690</u>	<u>13,270</u>	<u>46,960</u>
NET BOOK VALUE			
At 31 August 2021	<u>2,431</u>	<u>2,403</u>	<u>4,834</u>
At 31 August 2020	<u>4,200</u>	<u>1,034</u>	<u>5,234</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Trade debtors	7,066	2,859
Other debtors and prepayments	<u>2,449</u>	<u>1,435</u>
	<u>9,515</u>	<u>4,294</u>

PIPPIN PLAYGROUP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	1,471	1,445
Accruals and deferred income	26,746	23,798
Other creditors and accruals	<u>7,138</u>	<u>3,319</u>
	<u>35,355</u>	<u>28,562</u>

Accruals and deferred income relates to childrens pre-school and wrap-care fees received in respect of the following academic year commencing September 2021 (2020 - September 2020).

14. MOVEMENT IN FUNDS

	At 1.9.20	Net movement in funds	At 31.8.21
	£	£	£
Unrestricted funds			
General fund	134,873	8,113	142,986
Restricted funds			
Property fund	250,000	-	250,000
Resources fund	<u>10,000</u>	<u>-</u>	<u>10,000</u>
	<u>260,000</u>	<u>-</u>	<u>260,000</u>
TOTAL FUNDS	<u>394,873</u>	<u>8,113</u>	<u>402,986</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	501,971	(493,858)	8,113
TOTAL FUNDS	<u>501,971</u>	<u>(493,858)</u>	<u>8,113</u>

Comparatives for movement in funds

	At 1.9.19	Net movement in funds	At 31.8.20
	£	£	£
Unrestricted funds			
General fund	194,285	(59,412)	134,873
Restricted funds			
Property fund	250,000	-	250,000
Resources fund	<u>10,000</u>	<u>-</u>	<u>10,000</u>
	<u>260,000</u>	<u>-</u>	<u>260,000</u>
TOTAL FUNDS	<u>454,285</u>	<u>(59,412)</u>	<u>394,873</u>

PIPPIN PLAYGROUP

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 AUGUST 2021**

14. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	462,995	(522,407)	(59,412)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>462,995</u>	<u>(522,407)</u>	<u>(59,412)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.19 £	Net movement in funds £	At 31.8.21 £
Unrestricted funds			
General fund	194,285	(51,299)	142,986
Restricted funds			
Property fund	250,000	-	250,000
Resources fund	<u>10,000</u>	<u>-</u>	<u>10,000</u>
	<u>260,000</u>	<u>-</u>	<u>260,000</u>
TOTAL FUNDS	<u>454,285</u>	<u>(51,299)</u>	<u>402,986</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	964,966	(1,016,265)	(51,299)
	<u> </u>	<u> </u>	<u> </u>
TOTAL FUNDS	<u>964,966</u>	<u>(1,016,265)</u>	<u>(51,299)</u>

15. EMPLOYEE BENEFIT OBLIGATIONS

The Charity operates an auto-enrolment pension scheme for the benefit of its employees. During the year, the Charity contributed £9,291 (2020 - £10,199).

16. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2021.

17. ULTIMATE CONTROLLING PARTY

The charity is controlled by the trustees.

PIPPIN PLAYGROUP

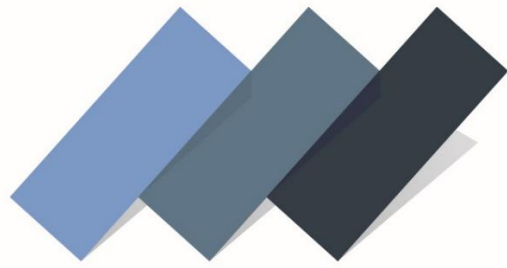
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

	2021 £	2020 £
INCOME AND ENDOWMENTS		
Other trading activities		
Fundraising events	2,906	2,452
Investment income		
Deposit account interest	19	69
Charitable activities		
Parents contributions	190,457	176,362
Funding	260,013	236,421
Grants	<u>48,576</u>	<u>47,691</u>
	499,046	460,474
Total incoming resources	501,971	462,995
EXPENDITURE		
Staff costs		
Wages	407,141	423,183
Social security	18,387	20,906
Pensions	9,291	10,199
Uniform	1,582	1,144
Staff training	<u>3,167</u>	<u>2,310</u>
	439,568	457,742
Support costs		
Management		
Food and drink	4,227	3,170
Toys and books	3,529	3,546
Telephone	2,547	3,501
Postage and stationery	3,180	3,896
Sundries	1,228	1,039
Travel expenses	<u>158</u>	<u>239</u>
	14,869	15,391
Information technology		
Website and software	4,873	6,150
Computer equipment	<u>916</u>	<u>1,026</u>
	5,789	7,176
Property expenditure		
Rent, rates and water	662	1,266
Light and heat	2,241	2,141
Repairs, equipment and resources	14,785	20,643
Insurance, licences and subscriptions	5,109	5,129
Depreciation of fixtures and fittings	<u>3,220</u>	<u>5,082</u>
	26,017	34,261
Governance costs		
Legal and professional fees	4,315	5,137
Carried forward	4,315	5,137

PIPPIN PLAYGROUP

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2021**

	2021	2020
	£	£
Governance costs		
Brought forward	4,315	5,137
Examiner's remuneration	600	600
Accountancy	<u>2,700</u>	<u>2,100</u>
	<u>7,615</u>	<u>7,837</u>
Total resources expended	<u>493,858</u>	<u>522,407</u>
Net income/(expenditure)	<u><u>8,113</u></u>	<u><u>(59,412)</u></u>



Jones Hunt
& Keelings

Chartered Certified Accountants & Chartered Tax Advisers

PIPPIN PLAYGROUP

Independent Examiner's Report to the Trustees
For The Year Ended 31st August 2021

23rd June 2022

CONTENTS PAGE

	Page
Financial Statement Overview	3
Financial Performance Overview	3
Profit and Loss commentary	3
Balance sheet commentary	4 & 5
Independent Examiner's Report	6
Year Ended 31 st August 2021 Financial Statements	Appendix 1
Detailed income and Expenditure Summaries	Appendix 2

FINANCIAL STATEMENT OVERVIEW

The financial statements were presented for signature to Chris Barnes on 23 June 2022.

Alf Del Basso, on behalf of Jones Hunt & Keelings, signed the independent examiners report on 23 June 2022.

FINANCIAL PERFORMANCE OVERVIEW

In summary, the playgroup's net income for the year ended 31st August 2021 was £8,113, which has increased by £67,525 from a net expenditure of £59,412 in 2020. In 2020, Pippin supported more members of staff to embark on qualifications to enhance their professional development but as expected with the effects of Covid, planned maintenance work on the building had been put on hold. Due to the ease of some Covid restrictions, turnover for Pippin increased from £462,995 in 2020 to £501,971.

The playgroup's balance sheet reserves total £402,986 split between general unrestricted funds of £142,986 and restricted funds of £260,000 being £250,000 property fund and £10,000 playgroup resource fund. The restricted funds have remained the same as in 2018 and are still appropriate despite the economic downturn.

Statement of Financial Activities (SOFA) (Appendix 1: Page 6)

Parent contributions for 2021 have increased by £14,095 from £176,362 in 2020 to £190,457 this year.

Fundraising events have increased this year, totaling £2,906 compared with £2,452 in 2020, an increase of £454.

Total expenditure has reduced in the year by £28,549 to £493,858 compared to 2020 which saw £522,407 being spent on total expenditure.

A full breakdown has been provided in appendix 2; however, we would like to comment on the following key overhead costs as follows:

- a. Staffing costs have decreased by £18,174 from £457,742 last year to £439,568 this year. The playgroup employed an average of 30 (2020 – 33) members of staff during the year and have encouraged staff to become more experienced by undertaking further qualifications to improve the offerings of the pre-school.
- b. Repairs, equipment and resources expenditure has decreased by £5,858 from £20,643 in 2020 to £14,785 in 2021. Last years expenditure included a significant increase in repairs and maintenance costs due to a refresh of equipment in the library and playrooms.

Balance Sheet as at 31st August 2021 (Appendix 1: Page 7)

Fixed Assets – Appendix 1: Page 11, Note 11

During the year the playgroup purchased assets totaling £3,736 and made disposed of assets with a cost of £8,357.

Assets are depreciated and expensed to the SOFA on a straight-line basis over a 3-year period, i.e. spreading the cost of significant asset purchases over 3 financial years.

After depreciation, the net book value of fixed assets is £4,834.

Current Assets - Appendix 1: Page 13, Note 12

Current assets included the following:

	<u>31 August</u> <u>2021</u>	<u>31 August</u> <u>2020</u>
Trade debtors	7,066	2,859
Prepayments of costs for following year	2,449	1,436
Total	<u>£9,515</u>	<u>£4,294</u>

Cash at Bank – Appendix 1: Page 7

The cash at bank and in hand balances were as follows:

	<u>31 August</u> <u>2021</u>	<u>31 August</u> <u>2020</u>
Cash at bank	<u>£423,992</u>	<u>£413,907</u>

The cash in the bank has been split between unrestricted general funds of £163,992 and money set aside for restricted funds totaling £260,000.

Current Liabilities - Appendix 1: Page 14, Note 13

Current Liabilities include the following:

	<u>31 August</u> <u>2021</u>	<u>31 August</u> <u>2020</u>
Trade creditors	1,471	1,445
Deferred income	26,746	23,798
Accruals of costs	7,138	3,319
Total	<u>£35,355</u>	<u>£28,562</u>

Deferred income represents fees invoiced in August 2021 but relating to, and income for, the following academic year commencing September 2021.

Movement in Funds – Page 14, Note 14

The movement in funds has shown a small gradual increase as a result of Covid restrictions easing. The pre-school has seen reserves increase to £402,986 from £394,873 at the start of the year.

Unrestricted funds

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the Trustees.

Restricted funds

Restricted funds can only be used for specific purposes as defined by the objectives of the charity.

The restricted funds are as follows:

	<u>31 August</u> <u>2021</u>	<u>31 August</u> <u>2020</u>
Property Fund	250,000	250,000
Playgroup Resource Fund	10,000	10,000
Total	<u>£260,000</u>	<u>£260,000</u>

The property fund has been set aside with the intention to purchase land and build a nursery for the playgroup in the future, should the need arise.

The playgroup resources fund has been set aside to purchase additional toys and equipment for the playgroup.

For the time being, management is happy with the level of funds which have been restricted and have made no plans to change these in the coming year.

INDEPENDENT EXAMINER'S REPORT (Appendix 1, Page 5).

We have carried out an independent examination of the financial statements on Appendix 1.

Independent examiner's report to the Trustees of Pippin Playgroup

I report to the charity trustees on my examination of the accounts of the Pippin Playgroup (the Trust) for the year ended 31st August 2021.

Responsibilities and basis of report

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 Act and in carrying out my examination I have followed all applicable directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of Association of Certified Chartered Accountants which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and contents of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

If you have any questions regarding this report, please contact Alf Del Basso.



Alf Del Basso

Independent Examiner

For and on Behalf of Jones Hunt & Keelings

23 June 2022