

St Tudy Pre-school Trustee Report for August 2023 - July 2024

Chair's Report

It has been a transformative year for St Tudy Pre-school. We began the academic year with an Ofsted re-inspection on just our second day of term - talk about hitting the ground running! We were delighted to achieve a 'Good' rating across all categories, which is a testament to the dedication and hard work of our entire team.

This year brought both challenges and opportunities. Several local primary schools opened pre-school provisions and lowered their entry age to 2 years, creating new competitive pressures in our area. Initially, our decision to stop accepting children under 2 in early 2023 compounded these challenges. However, the committee responded proactively in early 2024 by reinstating provision for children from their first birthday - a move that positions us well for the government's continued expansion of funded childcare hours.

In January, we received an extraordinarily generous legacy from Nora Sheer. The committee worked closely together, making careful decisions about the most prudent stewardship of these funds, including:

- Securing a portion in a high-interest savings account, which included setting aside our committed contribution to the construction of the new pre-school building
- Strengthening our redundancy reserves
- Investing in essential technology upgrades, including refurbished iPads and a replacement printer

Our staff team saw some changes through the year. We said goodbye to Ewelina and Vicky, and we extend our heartfelt thanks for their service and dedication to the pre-school. Rather than immediately filling these vacancies, we carefully managed our staffing structure, which helped maintain stable wage costs despite the April living wage increase. Nonetheless there was a significant staffing gap and we were thrilled to welcome NikNik back to the team - she has settled in seamlessly, bringing joy and enthusiasm to both the children and her colleagues.

We've made significant strides in modernizing our pre-school's image this year. Our new logo was unveiled, accompanied by a rollout of updated uniforms for both staff and children. A new entrance sign has been installed to help promote the setting, and work is well underway on our refreshed website, which we look forward to launching soon.

Community fundraising was a strong priority for this year and we saw an impressive 46.5% growth in our fundraising income. We hosted several successful events including a Halloween celebration at the village hall, a quiz night at St Tudy Inn, a Christmas prize draw, an Easter trail at the playing field, and a delightful summer fair at Tremeer House.

As well as these brilliant events, our monthly trustee committee meetings have primarily been held in person this year. I want to extend a special thank you to Sophie and Nicola, who haven't just hosted these meetings so generously, but they have been instrumental in the planning and delivery of most, if not all, of the fundraising events this year.

The committee meetings have proved invaluable as we've navigated important decisions, including our response to market changes and careful management of our resources. We have welcomed new trustees this year who bring specific knowledge and experience in areas we lacked, and I am so grateful to all of these trustees – some staff, some parents and some local community members – who give their time and their support to the running of this special place.

July 2024 marked a pivotal moment with the start of construction on the new Playing Field Hub building. This development, combined with our expanded age range and the extension of government funding to 9-month-olds, presents exciting opportunities for growth. However, we remain mindful of the need to address our underlying operational challenges and build sustainable core operations.

The strong foundations we've built this year - both literally and figuratively - set us up well for the future. While we face operational and economic challenges, our strategic decisions and the opportunities ahead give us confidence in our ability to serve our community for years to come.

Rose Cashley-Field, Chair of Trustees

Treasurer's Report

Our financial position for 2023-24 shows a reported profit of £61,960.68, which as Rose explained, was primarily due to the very generous legacy gift we received. However, it's important to highlight that excluding this extraordinary gift, our underlying operational position would show a concerning loss of £16,171.75. This operational deficit requires us to pay immediate attention towards strategic planning for the year ahead.

Our total income for the year was £160,719.90, though if we exclude the legacy gift and the interest we have earned from this, our income decreased 12% from the previous year to £81,611.14.

- Parent-paid fees decreased by 25.9% to £25,723.85 (previous year: £34,731.19)
- Cornwall Council funding declined by 5.1% to £51,630.10 (previous year: £54,390.49)

The decline in this income is largely attributed to a sudden increase in local competition, with several primary schools opening nursery provisions and lowering their entry age to 2 years. Coupled with our decision in early 2023 to stop accepting children aged under 2, this resulted in a perfect storm of both partial and full losses of children to other settings in the first part of this financial year.

In response to these changes, the committee made the decision in early 2024 to welcome back children from their first birthday. While this initially created additional operational costs, it positioned us advantageously for the government's expansion of funded childcare hours to 2-year-olds from April 2024, and from September 2024 for 9-month olds. We will expect to see the full financial benefits of this change in the 2024/25 financial year.

Our fundraising success deserves special mention and showed impressive growth of 46.5% to £3,046.58 (previous year: £2,079.72). Events including our Pub Quiz at St Tudy Inn, our successful raffle, and the summer Teddy Bears Picnic demonstrated the strength of our community support. These wouldn't have been possible without the dedication of our

committee, staff, and parents, alongside the generous support of local residents and businesses who provided prizes.

The legacy donation has been carefully managed through a new savings account, generating interest and keeping safe our future contribution to the new community hub development. Additionally, we've strengthened our financial resilience by fully funding our redundancy reserve and moving it to a higher-interest account, providing better protection for future obligations.

Our total expenditure showed a modest 2% decrease year-on-year, though individual categories show varying trends requiring attention:

- Wage costs and HMRC contributions remained stable, despite the April living wage increase, reflecting careful staff scheduling and not immediately backfilling vacant roles.
- Consumables nearly doubled to £1,671.10 (97% increase) due to rising food costs and changes in our child numbers
- Training costs decreased significantly to £120.00 (90.5% decrease), which will need to be reviewed to ensure staff development isn't compromised
- Rent and utilities decreased by 14.2% to £7,763.27 as the Playing Field Trust kindly reduced our rental payments in exchange for us taking responsibility for our own energy costs.
- Small increases were seen in expenses, resources, fundraising costs, and NEST pension contributions

Given our underlying operational deficit, for a second consecutive year, we need to implement several key initiatives:

1. Review our fee structure and funding claims to address the core income challenges
2. Develop a detailed cost management strategy
3. Create a growth plan leveraging our younger age provision, and our ability to expand further once we move into our new building
4. Review our training investment to ensure staff development needs are met
5. Optimize occupancy rates across all age groups

I extend my thanks to Rose and the committee for their continued support in this role, as well as to our dedicated staff. While our immediate financial position appears strong due to the legacy gift, we must focus on addressing our underlying operational challenges. The new building project and the expansion of government funding for 1-year olds present significant opportunities for growth and development.

Looking ahead, we will need to carefully balance investment in growth with prudent financial management to ensure long-term sustainability. Regular monitoring of our financial performance will be essential as we navigate these changes.

Elsie Preddy, Treasurer

Annual Accounts for AGM 2024

St Tudy Pre-school				
1st August 2022 to 31st July 2023		1st August 2023 to 31st July 2024		
INCOME		INCOME		
FEES	£ 34,731.19	FEES	£ 25,723.85	
FUNDING	£ 54,390.49	FUNDING	£ 51,630.10	
FUNDRAISING	£ 2,079.72	FUNDRAISING	£ 3,046.58	
SUMMER CLUB	£ 637.00	SUMMER CLUB	£ 320.00	
DONATIONS	£ 285.21	DONATIONS	£ 78,308.43	
OTHER	£ 84.78	OTHER	£ 40.00	
UNIFORM	£ 181.81	UNIFORM		
REFUNDS	£ 311.59	REFUNDS	£ 674.61	
TOTAL	£ 92,701.79	TOTAL	£ 159,743.57	
EXPENDITURE		EXPENDITURE		
WAGES	£ 76,559.22	WAGES	£ 76,266.49	
RENT/UTILITIES	£ 9,044.19	RENT/UTILITIES	£ 7,763.27	
TRAINING	£ 1,262.00	TRAINING	£ 120.00	
CONSUMABLES	£ 848.21	CONSUMABLES	£ 1,671.10	
EXPENSES	£ 2,149.07	EXPENSES	£ 2,745.91	
RESOURCES	£ 2,420.39	RESOURCES	£ 2,522.29	
EQUIPMENT	£ 1,929.78	EQUIPMENT	£ 981.09	
MISC	£ 801.55	MISC	£ 889.27	
HMRC	£ 3,056.83	HMRC	£ 2,672.64	
FUNDRAISING COSTS	£ 70.00	FUNDRAISING COSTS	£ 168.86	
NEST-PENSIONS	£ 2,653.55	NEST-PENSIONS	£ 2,739.30	
		REFUNDS	£ 184.00	
		OFSTED	£ 35.00	
TOTAL	£ 100,794.79	TOTAL	£ 98,759.22	
BALANCE SHEET		BALANCE SHEET		
INCOME	£ 92,766.12	INCOME	£ 159,743.57	
EXPENDITURE	£ 88,159.05	EXPENDITURE	£ 98,759.22	
SURPLUS	£ 4,607.07	SURPLUS	£ 60,984.35	
OPENING BALANCE	£ 22,213.83	OPENING BALANCE		
surplus	£ 4,607.07	surplus	£ 60,984.35	
Add interest from savings and redundancy accounts	£ 50.00	Add interest from savings and redundancy accounts	£ 976.33	
CLOSING BALANCE	£ 26,870.90	CLOSING BALANCE	£ 61,960.68	
BANK ACCOUNTS		BANK ACCOUNTS		
Co-Op - current	£ 9,692.65	Co-Op - current	£ 7,242.00	
Co-Op - redundancy	£ 3,540.65	Co-Op - redundancy	-	
Co-Op - savings	£ 8,980.53	Co-Op - savings	£ 16,132.78	
		Redwood - savings	£ 50,701.01	
		Redwood - redundancy	£ 10,098.72	
	£ 22,213.83		£ 84,174.51	

Independent examiner's report on the accounts



CHARITY COMMISSION
FOR ENGLAND AND WALES

Section A

Independent Examiner's Report

Report to the trustees/
members of

St Tudy Pre-school

On accounts for the year
ended

31st July 2024

Charity no
(if any)

1029100

Set out on pages

2

(remember to include the page numbers of additional sheets) ²

Respective
responsibilities of
trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities Act 2011 ("the Charities Act") and that an independent examination is needed. [The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of [named body]]. *Delete [] if not applicable.*

It is my responsibility to:

- examine the accounts under section 145 of the Charities Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 145(5)(b) of the Charities Act, and
- to state whether particular matters have come to my attention.

Basis of independent
examiner's statement

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below.

Independent
examiner's statement

In connection with my examination, no matter has come to my attention (other than that disclosed below *)

1. which gives me reasonable cause to believe that in, any material respect, the requirements:
 - to keep accounting records in accordance with section 130 of the Charities Act; and
 - to prepare accounts which accord with the accounting records and comply with the accounting requirements of the Charities Act have not been met; or
2. to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

* Please delete the words in the brackets if they do not apply.

Signed:

Nicola Hooper

Date:

09/11/2024

Name: NICOLA HOOPER

Relevant professional qualification(s) or body (if any): FMAAT

Address: 21 CHERRY TREE CLOSE
EXETER
DEVON EX4 5AT

Section B

Disclosure

Only complete if the examiner needs to highlight material problems.(E.g. accounting records have not been kept in accordance with s132 of the Charities' Act 2011 and those accounts do not comply with the requirements of the 2008 Regulations setting out the form and content of charity accounts; any material expenditure or action which appears not to be in accordance with the trusts of the charity; any failure to be provided with information and explanations by any past or present trustee, officer or employee; and any material consistency between the accounts and the trustees' annual report.)

Give here brief details of any items that the examiner wishes to disclose.