



Happy Faces Playgroup

The Liddell Hall, Old Reading Road, Sherfield-on-Loddon, Hook, Hampshire RG27 0EZ
Tel: 01256 880903

Annual Report for the Year to 31 August 2023

The Happy Faces Playgroup, The Liddell Hall, Old Reading Road, Sherfield on Loddon, Hook, Hampshire RG27 0EZ is registered with the Charity Commissioners (no. 1029688), constituted by a Pre-school Constitution dated 29 September 2012 and regulated by OFSTED.

The Charity is administered by a voluntary Management Committee of mainly parents and other volunteers, comprising:

Chair	-	Andrew Reynolds (resigned 9 October 2023)
Secretary	-	Lyndsey Taylor (resigned 9 October 2023)
Treasurer	-	Monika Loud
General members	-	Viv Allaway (resigned August 2023), Alison Smith (resigned August 2023), Amanda Harvey (appointed October 2022, resigned 9 October 2023), Lauren Cummins (resigned 9 October 2023).

New members are appointed each year at the Annual General Meeting in October.

The aims of the Pre-school are to enhance the development and education of children primarily under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups and by:

- (a) offering appropriate play, education and care facilities, family learning and extended hours groups, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race, culture, religion, means or ability;
- (b) encouraging the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local areas
- (c) instigating and adhering to and furthering the aims and objects of the Pre-school Learning Alliance.

The Playgroup offers sessions 5 days a week, with opening hours of 8.45am to 3.45pm from Monday to Friday, with flexible sessions offered through the day along with the option to add ad-hoc sessions subject to space being available. Parents are consulted each year and agree the suitability of the sessions offered.

As an approved Early Years Education Provider, we continue to receive Early Years Education Payments from the funder Hampshire County Council adhering to the Early Years Education Payment Funding terms and conditions.

Regular Committee Meetings were held throughout the year by the Management Committee covering subjects relating to maintaining and enhancing the playgroups processes and delivery of its aims as stated above. Some fundraising events were able to be held but were limited due to the availability of volunteers and committee members. However, the main fundraising Easter Egg hunt was held with an excellent attendance from both current and past children and parents. The playgroup managed to raise some other funds through Bags2School collections and the Easy Fundraising website.

Numbers this year have been slightly higher than the previous years and still healthy with some sessions being at capacity. Despite many leavers in the Summer, the numbers for the beginning of the autumn term are good. This is usual for the playgroup and we anticipate growth in children attending more sessions as the autumn term progresses.

As is becoming usual within the Government's April Budget Announcements, the national minimum wage rates increased and we therefore increased all the staff wages in line with the national minimum wage whilst maintaining a distinction between the qualified and unqualified staff as well as levels of management. The committee also reviewed the levels of pay to try to address any wages that are uncompetitive with other local settings.

The biggest social media platform for Happy Faces continues to be the Facebook page which is updated regularly with weekly activities and news. We cancelled our Enhanced Service on DayNurseries.co.uk as we did not feel it was generating any new business and the cost had increased.

The playgroup rents its premises from the local parish council / village hall which continues to be problematic this year. After an increase in rent the village hall struggled to provide accurate invoices which took considerable time and effort to resolve. At times this gave the playgroup finances a false picture with the committee deciding to make explicit accruals in the accounts whilst the situation got resolved. The playgroup is also beginning to see pressures from price increases across the spectrum of costs from the current inflammatory situation in the wider economy. This is likely to force an increase in our fees in the near future.

Under OFSTED rules, the playgroup is obligated to maximise outdoor play time and to achieve this it utilises a rear garden space from the village hall. The maintenance costs of this space continues to create tension with our 'landlord'. The village hall is also a charitable fund group and have similar financial pressure to the playgroup.

The Management Committee were again keen to give the staff a small bonus at Christmas as recognition of their hard work. The playgroup financial position allowed this to occur.

As with previous years, it must be noted in this report that at this time the management committee is observing that, as is the case with the nation as a whole, the playgroup staff and children have suffered from the pandemic. The Management committee is seeing issues with staff morale and post pandemic 'PTSD' issues with fatigue and stress related issues. To this end the 2 joint managers of the playgroup decided to resign their positions. This created significant uncertainty as to the future of the setting for 2-3 months during the recruitment process for replacements. It was a relief to all that the playgroup was able to secure the employment of a new manager and deputy. As part of the replacement the committee re-organised the roles and responsibilities of the 2 positions and reverted back to a more accountable hierarchy of a manager and deputy. The committee is hopeful that this will put the playgroup in a more robust position for the future.

Andrew Reynolds
Chair
Happy Faces Playgroup
October 2023

Est. 1982

Charity No. 1029688



Happy Faces Playgroup

**Annual accounts for the year ended
31 August 2023**

Charity No. 1029688

Statement of financial activities

Happy Faces Playgroup

For the year ended 31 August 2023

	Note	2023	2022
		£	£
Incoming resources			
Fees invoiced		29,044	34,142
Administration Fees Received		660	743
EYE Funding		99,501	94,728
EYPP Funding		981	1,931
Funding - Food Voucher Scheme		270	1,110
Grants		4,476	708
Donations Received		11,395	134
Fundraising		2,860	4,580
Interest Income		-	-
SSP		-	161
Other Receipts		-	11,515
Total Incoming resources		149,187	149,752
Resources expended			
Wages	4	101,514	92,916
Pension	4	1,219	1,059
Training		1,435	95
Staff Uniform		387	530
Recruitment Costs and DBS Checks		680	56
Premises and storage		8,903	12,515
Consumables		5,727	4,323
Equipment		1,940	3,294
Telephone		559	463
Insurance		1,100	959
Regulations, Memberships and Subscriptions		1,087	848
Advertising & Website		-	438
Fundraising expenses		1,163	1,890
Leavers Gifts		166	222
Gifts		928	130
Summer Outing Expenses		747	-
Parties Expenses		445	485
Food Voucher Scheme		480	1,135
Committee Expenses		18	-
Accounts and Payroll software		926	559
Accounts Independent Review	3	780	720
Bad Debts		135	85
Miscellaneous Expenses		180	1,782
Depreciation charge		21	-
Total Resources expended		130,540	124,503
Net movement in funds		18,647	25,249
Accumulated Fund as at 31 August			
Accumulated Unrestricted Funds brought forward		(84,075)	(58,826)
Surplus/(Deficit) for the year		(18,647)	(25,249)
Total Accumulated Unrestricted Fund as at 31 August		(102,722)	(84,075)

Balance Sheet

Happy Faces Playgroup
As at 31 August 2023

	Note	31 Aug 2023	31 Aug 2022
		£	£
Fixed Assets			
Tangible Assets			
Office Equipment		511	-
Less Accumulated Depreciation on Office Equipment		(21)	-
Total Tangible Assets		490	-
Total Fixed Assets	5	490	-
Current Assets			
Cash at bank and in hand			
Current Account		106,961	86,308
Deposit Account		43	43
Petty Cash		-	100
Total Cash at bank and in hand		107,004	86,451
Accounts Receivable		97	135
Prepayments		15,962	1,035
Stock	6	357	-
Total Current Assets		123,420	87,621
Creditors: amounts falling due within one year			
Accounts Payable		19,188	0
Accruals		1,248	720
Fees Received in Advance		55	2,623
PAYE/NIC Payable		697	203
Total Creditors: amounts falling due within one year		21,188	3,546
Net Current Assets (Liabilities)		102,232	84,075
Total Assets less Current Liabilities		102,722	84,075
Net Assets		102,722	84,075
Funds of the Charity			
Unrestricted funds		102,722	84,075
Total Funds of the Charity		102,722	84,075

Signed on behalf of all the trustees

Chair
Happy Faces Playgroup
Date:

The Liddell Hall, Old Reading Road, Sherfield-on-Loddon, Hook, Hampshire RG27 0EZ
Charity No. 1029688

Notes to the accounts

Happy Faces Playgroup

For the year ended 31 August 2023

1. Basis of preparation

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 and with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and with the Charities Act 2011.

The charity constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The trustees believe that the charity is operating as a going concern as it has sufficient reserves to meet all of its obligations.

1.3 Change of accounting policy

These accounts have been prepared on an accruals basis. The previous year's accounts were prepared on an receipts and payments basis. The trustees believe that using an accruals basis will provide more reliable and relevant information for the purposes of managing the charity. This has resulted in the following changes to the comparative figures:

Fees invoiced has increased from £30,665 to £34,142.

Wages payable has decreased from £94,364 to £92,916.

The net movement in funds consequently increased by £4,925.

1.4 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period.

1.5 Material prior year errors

No material prior year error have been identified in the reporting period.

2. Accounting policies

2.1 Income

Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- it is more likely than not that the charity will receive the resources; and
- the monetary value can be measured with sufficient reliability.

There has been no offsetting of assets and liabilities, or income and expenses, unless required or permitted by the FRS 102 SORP or FRS 102.

Grants and donations are only included in the SoFA when the general income recognition criteria are met

Donated goods are measured at fair value (the amount for which the asset could be exchanged) unless impractical to do so. Goods donated for on-going use by the charity are recognised as tangible fixed assets and included in the SoFA as incoming resources when receivable if the fair value on receipt is over £500.

The value of any voluntary help received is not included in the accounts but is described in the trustees' annual report.

2.2 Expenditure and liabilities

Liabilities are recognised where it is more likely than not that there is a legal or constructive obligation committing the charity to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Deferred income is recognised when the income is received in advance of the services being provided.

Creditors are measured at settlement amounts less any trade discounts.

2.3 Assets

2.3.1 Tangible fixed assets for use by the charity

These are capitalised if they can be used for more than one year and cost at least £500. They are valued at cost. They are depreciated as follows:

Office equipment 25% on cost

2.3.2 Debtors

Debtors (including trade debtors and loans receivable) are measured on initial recognition at settlement amount after any trade discounts or amount advanced by the charity. Subsequently, they are measured at the cash or other consideration expected to be received.

Notes to the accounts

Happy Faces Playgroup

For the year ended 31 August 2023

	2023	2022
	£	£
3. Fees for examination of the accounts		
Accounts Independent Review	780	720
Other fees	468	0
Total amount paid to independent examiner	1,248	720

	2023	2022
	£	£
4. Staff costs		
Wages	101,514	92,916
Pension	1,219	1,059
Total Staff costs	102,733	93,975

No employees received employee benefits for the reporting period of more than £60,000. No trustees were paid for their services to the charity. The pension costs above represent contributions to a defined contribution pension scheme. The average number of staff was 12 (2022: 13). Not all staff work full-time.

5. Tangible fixed assets

	Office equipment	Total
	£	£
Cost or valuation		
At the beginning of the year	-	-
Additions	511	511
At the end of the year	511	511
Depreciation and impairments		
At the beginning of the year	-	-
Depreciation charge	(21)	(21)
At the end of the year	(21)	(21)
Net book value		
Net book value at the beginning of the year	-	-
Net book value at the end of the year	490	490

6. Stock

	Clothing	Total
	£	£
Stock for resale - Charitable activities		
Opening stock	-	-
Added in the year	469	469
Expensed in the year	(112)	(112)
Impaired	-	-
Closing stock	357	357

Notes to the accounts

Happy Faces Playgroup

For the year ended 31 August 2023

7. Transactions with trustees and related parties

7.1 Trustee remuneration and benefits

The following trustees have been remunerated by virtue of their employment by the charity as Playgroup Manager:

Name of trustee	Remuneration	Pension contribution	Total 2023	Total 2022
	£	£	£	£
V Allaway	13,465	224	13,689	14,141
A Smith	15,459	284	15,743	14,082

No trustees have been remunerated for fulfilling their duties as trustee and no expenses have been paid to any trustees.

7.2 Transactions with related parties

The following transactions with related parties have occurred in the year:

Name of trustee or related party	Relationship to charity	Description of transaction	2023	2022
	£	£	£	£
S Reynolds	Spouse of trustee	Wages paid to staff member	2,132	2,789