

SMARTIES TREASURERS REPORT

ON THE FINANCIAL STATEMENTS for the year ended 31st August 2024

Lorraine Reddington – Smarties Treasurer

23rd June 2025

This is the updated treasurer report following the finalised Income and Expenditure Account for the year ended August 2024. The initial treasurers report was given at the AGM on 7-Nov-24. The accounts are prepared on a cash basis as required by the Charity Commission. The following report provides a summary of the financial position for the year ended August 2024.

Introduction

Smarties is a charity that currently benefits local children and their families through preschool and out of school club, providing affordable wrap around care for parents. Smarties also provides a Holiday Club (School holidays), which opens throughout the year.

When reviewing the finances for the year Sep-23 to Aug-24, it is been compared against the previous 2 years.

At the end of the financial year, Smarties had a net profit of £4,998. This year, £1,238 has been provided for as 'bad debt'. At last year's AGM, we predicted a small loss for this financial year, of approx. £2k; the reason for the significant change is due to a number of factors, including:

- Preschool numbers were higher than anticipated and thus funding income and private income for preschool was greater than anticipated.
- There were a large number of 'ad hoc' bookings for out of school club (both breakfast club and after school club). The numbers for OOSC this year were looking lower than previous years, and the ad hoc bookings made a large difference – however the downside of so many ad hoc bookings is that we cannot plan for this and therefore could not invest in some larger purchases that could have enhanced OOSC, or look at specific targeted activities.
- HAF holiday scheme was still run this year meaning the government funding enabled many more children to be able to access our holiday club, and thus bring in more income. In the run up to the summer holiday club, this was understood so we were able to allow a good budget to enable outings / additional activities for the summer holiday club.

This year, Sep-24 to Aug-25, the numbers again are not looking as high as last year; if the HAF scheme continues and a proportion of the ad hoc bookings can be made more permanent then we should make a small profit, in the region of £3k, whilst also being able to make some purchases for OOSC / provide some additional activities.

Income

Total income in this financial year was **£163K**, £13k more than last financial year, and £33K more than Sep22/Aug23 financial year.

- Preschool non-funded income and out of school club provided £15K of additional income compared to prior year.
- Fundraising income this year was £1500.
- Our accountancy firm, continue to be very charitable in offering this service for free, which has a massive impact on the setting's finances, and for which we are very grateful.

Expenditure

Total operating expenses for this year were **£158K**; £20K higher than last financial year. Areas where spend has changed significantly over the last year:

- Wages increased by approx 15%. Wages are reviewed twice per year – once in April when minimum age increases so we can review against this; and once in November following our financial year analysis.
- Rent and food costs were approx. 10% higher than previous years.
- Some additional money was spent this year on things like supplies, e.g. for craft, cooking. 2 laptops were also purchased this year.

Loan from the Parish Council

Just over 5 years ago, a loan of £6,000 was provided to Smarties from the Parish Council. This was due to be repaid in May 2022 but was extended for another 2 years, as the Parish Council are supportive of the setting and the service we provide for the local population. Having made a profit in the Sep22/Aug23 year, this money was moved into our reserves account; this was discussed at a recent Parish Council meeting, and it has not been decided whether this loan is to be repaid in full.

Reserves (Deposit account)

Smarties has a reserves policy to enable the committee to pay the necessary salaries and bills should the setting ever need to close. The reserves are kept in a separate deposit account; this was reviewed in Nov-23 and £20K was deemed sufficient to cover this, thus £3,110 was moved into the deposit account. In addition the £6K to cover the parish loan was also moved into the deposit account. The deposit account balance therefore currently sits at £26,072.

Debtor management

There were a significant number of outstanding invoices from Aug-24 and before. This number is higher than usual because summer holiday club invoices were not sent out until September. However, aged debt (from Aug-23 and before) was at £6,143.47; £1,237 of this aged debt has been written off this year.

Looking forward

There are less children enrolled in preschool for this financial year than at this point last year, although this number is rising. Both preschool and OOSC numbers need to be an area of focus to see how we can reach out to more families, to ensure that we are making a profit each term. The summer holiday club in Jul/Aug-24 was once again successful.

Smarties has a business model to predict costs, taking account of required staffing levels, which is reviewed on a termly basis. I am predicting a small loss in autumn and spring term, which will be covered by the profit made this year, but a profit overall for the Sep-24 to Aug-25 year, assuming numbers increase as expected for preschool & that we convert some of the adhoc bookings in OOSC

to fixed bookings. I am confident that Smarties will continue to be able to meet its bills and commitments as and when they fall due in the year ahead.

We believe that smarties will be able to meet its financial responsibilities for the year ahead.

Smarties Pre school and Out of School Club

Income and Expenditure Account

For the year ended 31 August 2024

Smarties Pre school and Out of School Club

Year ended 31 August 2024

Client approval Certificate

We approve the financial statements and confirm we have made available all relevant records and information for their preparation.

Jon Satinet *Jon Satinet*
.....

Date 23/06/25.....

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SMARTIES PRE-SCHOOL AND OUT OF SCHOOL CLUB

Independent examiner's report to the trustees of Smarties Pre-School And Out Of School Club

I report to the charity trustees on my examination of the accounts of Smarties Pre-School And Out Of School Club (the Trust) for the year ended 31 August 2024.

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

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.

Signed:

Giovanni Ruggieri

Building 18, Gateway 1000
Whittle Way, Arlington Business Park
Stevenage
Hertfordshire
SG1 2FP

Date

**Smarties Pre-school and Out of School Club
Income and Expenditure summary
for the year ended 31 August 2024**

	2023/24		2022/23	
	£	£	£	£
Income Fees				
Funding		67,879		61,286
HAF Funding		14,874		19,702
Pre-School fees (non-funded)		13,342		6,510
Out of school		49,459		41,519
Holiday Club		15,803		18,007
		<u>161,356</u>		<u>147,024</u>
Furlough Income		-		-
Grant Income				1,438
Donations	139			182
Fundraising	1,500			1,305
Interest received	131			14
Shopping Income				10
Uniform				-
Other Revenue				6
		<u>1,771</u>		<u>2,954</u>
Total income		<u>163,127</u>		<u>149,978</u>
Expenditure				
Adverts		88		38
BT & Internet		1,078		652
Building consumables				-
Bad debts		1,237		-
Course fees (inc CCC, Parents First Aid & Safety Course)		2,523		1,583
Cleaning including deep clean		684		461
General Repairs		299		73
Fundraising costs		243		328
Insurance & Ofstead registration fee		852		1,033
Mileage & Travel costs		273		-
Misc (inc DBS checks, petty cash, expenses)		984		1,925
New Equipment (Server & Lap Top)		46		565
Out of school holiday club costs		3,376		963
Post & stationery		495		310
Professional fees including payroll charges and Xero		377		876
Rent		4,398		4,038
Electricity bill		5,113		5,949
Annual subscriptions		984		2,835
Accountancy				666
Shopping (Food & Drink)		4,863		4,629
Supplies (inc craft, cooking & general)		5,859		3,393
Entertaining		71		400
EYPP & DAF costs				-
Uniform (children & staff)				790
Forest School Expenses				-
Wages		120,757		105,038
Pensions		1,813		943
Health & Safety		55		43
Hall Hire		72		144
IT Costs		1,591		747
Total expenditure		<u>158,128</u>		<u>138,422</u>
Surplus income over expenditure		4,998		11,556
Cash balance brought forward		43,578		32,022
Add surplus income for the year		4,998		11,556
		<u>48,576</u>		<u>43,578</u>
Deposit account		26,072		16,941
Current account		27,538		29,694
Petty Cash		84		11
Accrued Income		-		6,851
Trade Debtors		21,091		6,143
Trade Creditors		- 3,137		- 1,244
Income in advance		- 15,133		- 8,797
Paye Payable		- 1,286		
Pension payable		- 653		
Loan- SM Parish Council		- 6,000		- 6,000
		<u>48,576</u>		<u>43,578</u>

Smarties Pre school and Out of School Club

Income and Expenditure Account

For the year ended 31 August 2024

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Year ended 31 August 2024

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