



Trustees' Annual Report for the period

From 05/04/2021 Period start date to 04/04/2022 Period end date

Charity name: Lilliput Preschool

Charity registration number: 1032068

Objectives and Activities

	SORP reference	
Summary of the purposes of the charity as set out in its governing document	Para 1.17	Education / Training / Childcare
Summary of the main activities in relation to those purposes for the public benefit, in particular, the activities, projects or services identified in the accounts.	Para 1.17 and 1.19	We aim to provide good quality, high standard, and affordable childcare. Employment opportunities for local residents
Statement confirming whether the trustees have had regard to the guidance issued by the Charity Commission on public benefit	Para 1.18	Trustees have complied during their duties with regard to the commissions public benefit guidance.

Achievements and Performance

	SORP reference	
Summary of the main achievements of the charity, identifying the difference the charity's work has made to the circumstances of its beneficiaries and any wider benefits to society as a whole.	Para 1.20	Working in partnership with parents and families. Working with local agencies, professionals, schools and children centre. Providing employment opportunities as well as training and education for staff that wish to access it. Improving outcomes for children, identifying problems early and referrals to appropriate interventions.

Financial Review

Review of the charity's financial position at the end of the period	Para 1.21	A substantial loss this year as full effects of covid seen. Covid grant received in last year's financial year helps to offset loss this year. Reserves remain untouched however could do with increasing to provide a sufficient cushion
Statement explaining the policy for holding reserves stating why they are held	Para 1.22	Reserves are held in case of emergencies such as repairs to buildings, staff redundancies and other such expenses. Additional costs such as renewal of lease and planning permission.
Amount of reserves held	Para 1.22	£40,000
Reasons for holding zero reserves	Para 1.22	N/a
Details of fund materially in deficit	Para 1.24	N/a
Explanation of any uncertainties about the charity continuing as a going concern	Para 1.23	Staff were given a raise in line with minimum wage this year and those above have also had a rise. This is important to maintain staff retention and morale. Minimum wage is due to increase again by a large jump in April 2023 and we must be aware of the impact of this.

Additional information (optional)

You may choose to include further statements where relevant about:

The charity's principal sources of funds (including any fundraising)	Para 1.47	Free Early Education funding 3 and 4 year olds universal and extended Early Years Free for Two funding scheme
A description of the principal risks facing the charity	Para 1.46	Raising staff costs are putting more pressure on the need to keep admissions higher and maintained. Our building is getting older and will need additional maintenance. A need to increase our reserves and potentially dip into them if needed. Difficulties in recruiting committee members. Early years funding rates low and unable to anticipate future rates due to variations in deprivation rates and no formula available to plan.
Other		Plan to review finances at 6 months and measures to be taken if needed.

Structure, Governance and Management

Description of charity's trusts:		Local residents and parents
Type of governing document (trust deed, royal charter)	Para 1.25	Pre-school Learning Alliance constitution Ofsted
How is the charity constituted? (e.g unincorporated association, CIO)	Para 1.25	Pre-school Learning Alliance constitution Unincorporated
Trustee selection methods including details of any constitutional provisions e.g. election to post or name of any person or body entitled to appoint one or more trustees	Para 1.25	The committee are volunteers from the local community. Members are elected by the committee.

Reference and Administrative details

Charity name	Lilliput Pre-school
Registered charity number	1032068
Charity's principal address	Military Road Canterbury Kent CT1 1PA

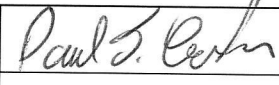
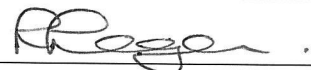
Names of the charity trustees who manage the charity

	Trustee name	Office (if any)	Dates acted if not for whole year	Name of person (or body) entitled to appoint trustee (if any)
1	Paul Carolan	Chair	2015 – Present	
2	Lynda Logan	Treasurer	2015 - Present	
3	Sam Davis	Secretary	2016 - Present	
4	Katiane De Jesus	Trustee	2021 – Present	
5	Kali Dean	Trustee	2021 – Present	

Declarations

The trustees declare that they have approved the trustees' report above.

Signed on behalf of the charity's trustees

Signature(s)		
Full name(s)	PAUL JOSEPH CAROLAN	LYNDA SUSAN LOGAN
Position (eg Secretary, Chair, etc)	CHAIR	TREASURER
Date	7/12/22	

Lilliput Pre-school Revenue Budget April 2021 - March 2022

INCOME

Fee Income	£ 4,712.00
Funding for Free Entitlement 2 yrs	£ 23,346.89
Funding for Free Entitlement 3 & 4 yrs	£ 61,488.63
Special Educational Needs Inclusion Fund (SENIF)	£ 300.00
Disability Access Fund (DAF)	£ 615.00
Early Years Pupil Premium (EYPP)	£ 3,360.96
Other	£ 2,610.80
Training	£ 210.00
Leadership Funding	£ 600.00
Yearly Intrest from reserves saving account	£ 3.83
TOTAL INCOME (a)	£ 92,536.11

EXPENDITURE

Staffing	
Total Staff Costs	£ 78,844.24
Training	£ 457.00
Pension	£ 3,969.18
Premises Costs	
Rent/Mortgage	£ 2,250.00
Utilities (electric, gas, water)	£ 1,511.43
Maintenance (fire checks, PAT testing)	£ 2,169.12
Waste Disposal	£ 352.60
Planning / Legal Fees	£ -
Insurance Costs	
Public Liability & Employer Liability	£ 2,205.17
Building and/or contents	£ -
Other (please specify)	£ -
Admin Costs	
Telephone / Mobile / Internet	£ 1,050.48
Stationery, Photocopying & Postage	£ 648.99
Lease Equipment (chip n pin, photocopier)	£ 1,053.24
Accountant	£ 180.00
Information Commissioners Office (data protection)	£ 35.00
Payroll / bank charges	£ 402.25
DBS checks	£ 8.10
Registration & Inspection (Osted, PLA, companies house)	£ 144.25
Secure email Subscription	£ 129.26
Petty Cash	£ -
HMRC	£ 5,938.96
Materials Costs	
Play Equipment (non capital)	£ 3,932.63
Consumables (paint, glue, glitter, paper, first aid stock)	£ 518.13
Food & Drink	£ 389.71
Cleaning Materials	£ 832.47
Volunteer Expenses	
Travel Reimbursement	£ -
Induction	£ -
Other (please specify)	£ -
Advertising Expenses	
Promotion Costs	£ 307.43
Recruitment Costs	£ -
Activities Costs	
Staff Fuel Reimbursement	£ 10.25
Staff / Children's Activities	£ 1,288.80
please specify	£ -
Other Costs (please specify)	
Staff / Childrens Uniforms	£ -
Uniform	£ 74.88
Other (please specify)	£ -
please specify	
Other (please specify)	

TOTAL EXPENDITURE (b)

£ 108,704

SURPLUS / (DEFICIT) (= a - b)

-£ 16,167

Lilliput Pre-School April 2021 – March 2022

Independent Examination of Accounts carried out by Amanda Taylor of AT Accounts Ltd

1. Helen Nolan requested my services to complete an independent examination
2. I am a qualified bookkeeper and member of the International Association of Bookkeepers and therefore qualified to carry out the examination.
3. I have no conflict of interests in the Pre-school. I complete the payroll function on a monthly basis but that does not raise a conflict-of-interest problem.
4. I picked July and November and did a check on the transactions. I did not find any material issues with the figures submitted on the spreadsheet.
5. My recommendation for complete transparency is for payments made to employees refunding expenses paid should be highlighted and written on the receipt.
6. The method of accounting using a spreadsheet is adequate for the level of transactions.

Lilliput Pre-school



Financial report

2021-2022

In your packs you will find a basic financial history graph, our income in blue and expenditure in green and a balance sheet. As you can see the last four years have been quite difficult for the setting, it has been difficult to stay within budget. A combination of rising utility, employment costs and stagnate funding rates have proved a struggle for the Early Years sector as a whole.

While last year (2020-2021) shows a large gain, this was a result of grants and the impact of covid was not evident until this year. This year shows a sizeable loss, it was not unexpected. We had anticipated that the full impact for us financially would be seen this financial year. Last year we received £16,742 in grants from the furlough scheme and Canterbury City Council business support grant. This will offset our loss this year of £16167.00.

The balance sheets are fairly self-explanatory, as always our biggest source of income is Early education funding and largest expense is salaries. We also did not have any fundraising again this year. The accounts have been audited with no problems found by Amanda Taylor at AT Accounts.

We continue to budget effectively and utilise the EYPP to ensure the children have new equipment and access to different experiences. As always funds are used for the children's education and wellbeing as a priority.

We were successful in our application for a "Contain Outbreak Management Fund (COMF)" from Kent County Council and we were awarded £2,600 to purchase a garden room for children, staff and parents. We ordered from a local company and it was delivered and installed in February 2022. The total project was at a cost of £3625 plus the cost of flooring, which was above the grant amount, however we have utilised the EYPP funding and only used a small percentage of Lilliput Preschool funds.

The reserves account remains untouched and holds £40,000. Our current account on 5th April 2022 holds £ 24,294.01

Disappointingly our funding rate only increased by 2p an hour and while we did query this with Management Information and the financial department at KCC,

unfortunately due to low numbers in September our deprivation number was calculated low and this has resulted in a small increase.

With discussion with the committee it was agreed staff would receive a pay increase in line with the minimum wage rise from 1st April 2022. We have a few staff on minimum wage and while we would like to increase them over minimum wage it is just not possible with a low funding rate and the rising utility bills. The wage increase will impact us as a setting costing approximately £6700 a year. It is felt the difference in role should be reflected in the wages, and retention of long term, loyal and hardworking staff must be a priority. Continuity of staff is good for the business our staff, children and families.

To remain sustainable moving forward we must ensure we fill quickly in September 2022 and we will need to increase the amount of 2 years old a session to break even. I am confident with increased intake we are sustainable, however I am aware this will put a lot of pressure on staff. Children are presenting with high needs coming out of the pandemic and this must be balanced. We will work closely to ensure we remain sustainable without quality of care or the wellbeing of staff is affected. We remain committed as a setting to providing high quality affordable childcare for the local community and continue to have high expectations for our children.