

Trustees' Annual Report and accounts:
Hundred Acre Preschool Playgroup

Report and Financial Statements

For the year ended 30th September 2023

Charity Number 513792

Report of the Management Committee for the year ended 30th September 2023

The Management Committee presents its report and audited financial statements for the year ended 30th September 2023

Reference and Administrative Information

Charity Name: Hundred Acre Preschool Playgroup

Charity registration number: 513792

Registered Office and operational address: 18 Goodwood Drive, Streetly, Sutton Coldfield, West Midlands. B74 2JG

Management Committee

Mrs S Green	Chair
Mrs A Hannan	Treasurer
Mrs S Lloyd	Secretary
Mrs R Salari	
Mrs L Wakeman	(resigned September 2023)
Mrs S Evans	(resigned September 2023)

Management

Mrs C Jones	Manager
Mrs L Archer	Deputy Manager

Finance and Administration Manager Auditors - Foster's Accountancy Services (Midlands) Limited, Kingsnorth House, Blenheim Way, Birmingham, B44 8LS
Bankers - National Westminster Bank, 33 Park Street, Walsall. WS1 1ER

Our Aims and objectives

Purposes and Aims

To provide safe and satisfying group play for the promotion of education of pre-school children aged 2 - 5.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. This review looks at what we achieved and the outcomes of our work in the previous 12 months. The review looks at the success of each key activity and the benefits they have brought to those groups of people we are set up to help. The review also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

The focus of our work

Our main objectives for the year continued to be offering quality pre-school education and childcare for children in the local community and surrounding areas. Providing a safe environment in our purpose built building.

How our activities deliver public benefit

Our main activities and who we try to help are described below. All our charitable activities focus on providing quality childcare and are undertaken to further our charitable purposes for the public benefit.

Who used and benefited from our services?

Our objects and funding limit the services we provide to those resident in the West Midlands and surrounding counties. We provide childcare for up to 40 children with a maximum of 22 children each session.

Financial Review

Against the backdrop of limited resources and insecurities over funding, it has continued to be difficult to plan or develop services. Nevertheless the charity, with the aid of sound financial management and the support of both its staff and volunteers generated a very positive financial outcome for the period with a net increase in funds of just over £37,000.

Principal Funding Sources

Aside from the income generated by fundraising and selling items in the Charities shop, the principal funding sources for the charity are currently by way of grant income from Walsall Metropolitan Borough Council through government funded childcare places and by parents paying for childcare sessions.

Investment Policy

Aside from retaining a prudent amount in reserves each year most of the charity's funds are to be spent in the short term so there are no funds used for long term investment.

Reserves Policy

The Management Committee has examined the charity's requirements for reserves in light of the main risks to the organisation. It has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets held by the charity should be between 6 and 12 months of the expenditure. Budgeted expenditure for 2023/24 excluding salaries is £10,000 and therefore the target is up to £15,000 in reserved funds. The reserves are needed to meet the working capital requirements of the charity and the Management Committee are confident that at this level they would be able to continue the current activities of the charity in the event of a significant drop in funding.

Plans for Future Periods

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements.

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee, incorporated in November 1969 and registered as a charity on 18 July 1977. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £10.

Recruitment and Appointment of Management Committee

The managers of the preschool are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting. All members of the Management Committee give their time voluntarily and received no benefits from the charity apart from reasonable payments made to members in respect of any work they carried out as members of staff of the Association.

Trustee Induction and Training

Most trustees are already familiar with the practical work of the charity being previous members of staff or parents of children who attended the preschool. Additionally, new trustees are invited and encouraged to attend a series of short training sessions (of no more than an hour) to familiarise themselves with the charity and the context within which it operates. These are jointly led by the Chair of the Management Committee and the Manager of the preschool and cover:

- The obligations of Management Committee members.
- The main documents which set out the operational framework for the charity including the Memorandum and Articles.
- Resourcing and the current financial position as set out in the latest published accounts.
- Future plans and objectives.

Risk Management

The Management Committee has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centre. These procedures are periodically reviewed to ensure that they continue to meet the needs of the charity.

Organisational Structure

Hundred Acre Preschool Playgroup has a Management Committee of up to 12 members who meet termly and are responsible for the strategic direction and policy of the charity. At present the Committee has three members consisting of previous staff and parents of children who attended the preschool.

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with the Chair of the committee along with the Preschool Managers. The Chair is responsible for ensuring that the charity delivers the services specified and that key performance indicators are met. The Manager has responsibility for the day to day operational management of the Pre-school, individual supervision of the staff team and also ensuring that the team continue to develop their skills and working practices in line with good practice.

Related Parties

In so far as it is complimentary to the charity's objects, the charity is guided by both local and national policy.

Responsibilities of the Management Committee

Company law requires the Management Committee to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements, the management committee should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is not appropriate to assume that the company will continue on that basis.

The Management Committee is responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The Management Committee is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Management Committee

Members of the Management Committee, who are trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 3. We certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the trustees of the charity we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

Fosters Accountancy Services (Midlands) Limited were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity. This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities. Approved by the Management Committee on 5th June 2024 and signed on its behalf by: Mrs S Green (Chair)

Hundred Acre Pre-School Playgroup
Unaudited Financial Statements
for the year ended 30th September 2023

Hundred Acre Pre-School Playgroup

Balance Sheet

as at 30th September 2023

	2023		2022	
	£	£	£	£
Current assets :				
Cash at bank	<u>23,905</u>	23,905	<u>17,296</u>	17,296
Current liabilities :				
Other creditors	<u>0</u>	0	<u>0</u>	0
Current assets less liabilities		23,905		17,296
		<u>23,905</u>		<u>17,296</u>
Capital and reserves :				
Balance b/fwd		17,296		17,666
Profit / (loss) for the period		6,608		(370)
Balance c/fwd		<u>23,905</u>		<u>17,296</u>

Hundred Acre Pre-School Playgroup
Profit and Loss Account
for the year ended 30th September 2023

	2023		2022	
	£	£	£	£
Income :				
Fees and funding	97,501		60,655	
Fundraising	(275)		93	
		97,227		60,748
Expenditure :				
Salaries	80,163		54,033	
Pension contribution	2,154		150	
Toys and equipment	2,163		1,865	
Food, milk and cleaning supplies	1,191		957	
Insurance	904		827	
Telephone	647		589	
Repairs and maintenance	2,291		846	
Accountancy fees	150		150	
General expenses	955		1,700	
		(90,618)		(61,118)
Net Profit / (Loss)		6,608		(370)

From the information provided to me by the Treasurer of the Hundred Acre Pre-School Playgroup, I confirm that it appears that the books of account have been maintained in a satisfactory manner for the year ended 30th September 2023.

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Date 03 May 2024

Mark Foster

Notes forming part of the Financial Statements for the year ended 30th September 2023

Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value, and in accordance with the Companies Act 1985 and the Statement of Recommended Practice : Accounting and Reporting by Charities issued in March 2005.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values.

- Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes.
- Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to, and virtually certain to receive, the income and the amount can be quantified with reasonable accuracy. The following policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Clothing and other items sold in the charity's shop are included as incoming resources within activities for generating funds when they are sold.
- Investment income is included when receivable.
- Incoming resources from charitable trading activity are accounted for when earned.
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shop.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis e.g. floor areas, per capita or estimated usage.

Fixed assets

Fixed assets (excluding investments) are stated at cost less accumulated depreciation. The costs of minor additions or those costing below £1,000 are not capitalised. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life, which in all cases is estimated at 4 years. Impairment reviews are carried out as and when evidence comes to light that the recoverable amount of a functional fixed asset is below its net book value due to damage, obsolescence or other relevant factors. Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

Personal interests

No trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity during the year.

Taxation

As a charity, Hundred Acre Preschool Playgroup is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.