

PUDDLEDUCKS COMMUNITY PLAYGROUP

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

Charity number: 1027069

PUDDLEDUCKS COMMUNITY PLAYGROUP
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FOR THE YEAR ENDED 31 AUGUST 2016

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PUDDLEDUCKS COMMUNITY PLAYGROUP

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees are pleased to present their report, together with the financial statements for the year ended 31 August 2016.

Reference and administration details

Charity name:	Puddleducks Community Playgroup
Charity registration number:	1027069
Address of charity:	Jubilee Room Mulbarton Village Hall The Common Mulbarton Norwich NR14 8AE
Trustees:	S Haddon (Chairperson) J Mark (Vice Chair) S Watson (Treasurer) L Gaskin (Secretary) E Kong (Education Co-ordinator) S Gent (Marketing & Communications Co-ordinator) S Mark (IT and Maintenance) J Doughty (Fundraising Co-ordinator) R Cushing T Haddon A Snowling
Lead Practitioner:	S Webster
Bookkeeper:	N Hall
Administrator:	D Fiddeman
Bankers:	The Co-operative Bank PO Box 250 Delf House Southway Skelmersdale WN8 6WT
Independent Examiner:	J Fox BA (Hons) FCA 10 Elmgrove Road Gorleston Great Yarmouth Norfolk NR31 7PP

PUDDLEDUCKS COMMUNITY PLAYGROUP

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 AUGUST 2016

Structure, governance and management

Governing document

Puddleducks Community Playgroup was established in 1993. Its constitution was adopted on 4 October 1993 and registered with the Charity Commission (registration number 1027069) on 13 October 1993. An amendment to the constitution was made on 16 October 2015 and submitted to the Charity Commission.

Appointment and recruitment of Trustees

The Trustees are appointed each year at the Annual General Meeting.

The committee of Trustees shall consist of:

- 3 officers (Chairperson, Secretary, Treasurer);
- Not less than 4 nor more than 9 other elected Trustees;
- Up to 3 co-options, at the discretion of the committee.

At least two-thirds of the committee members, including co-opted members, shall at the time of election or co-option be parents of guardians of Children in the setting.

Trustees' induction and training

All new Trustees will be provided with copies of:

- The Charity's constitution
- The latest accounts of the Charity

and are encouraged to read Charity Commission guidance notes CC3 - "The Essential Trustee".

In addition, Trustees are encouraged to read Charity Commission and other newsletters and to attend courses designed to keep them abreast of their duties and responsibilities.

Risk management

The Trustees actively review the major risks which the Charity faces on a regular basis and have established systems to mitigate the risks as far as possible, within practical and financial constraints.

Organisational structure

The Trustees administer the Charity and meet 11 times a year to review fee and grant income and discuss and approve forthcoming charitable expenditure.

Objectives and activities

The objects of the Charity are to enhance the development and education of children under statutory school age by encouraging parents to understand and provide for the needs of their children through community groups.

PUDDLEDUCKS COMMUNITY PLAYGROUP

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 AUGUST 2016

Achievements and performance

The setting was subject to an Ofsted inspection just after the year end and achieved a good rating.

Reports of the Chairperson, Treasurer and Lead Practitioner are included in the attached appendix to the financial statements.

Public benefit

The Trustees have considered the Charity Commission's guidance on public benefit. They confirm that in planning and carrying out the Charity's activities they have had regards to this guidance.

Plans for future periods

The Trustees' financial plans for the coming year are:

- Maintain and grow the contingency fund already established to cover the cost of statutory redundancies in the unlikely event of closure (and regularly monitor the adequacy of this fund);
- Aim to hold sufficient general reserves equal to one term's (i.e. one-third of annual) total expenditure;
- Invest in an online learning journal system and related computer equipment which will enhance the monitoring of development and learning and aid communication with parents;
- Aim to spend up to £3,000 on educational toys and equipment. Priorities to be agreed during autumn term in consultation between Trustees and staff;
- Maintain the additional designated contingency fund which is accumulating over time, to cover the estimated cost of moving premises should the current lease not be renewed; and
- Continue to support Ducklings and Monkey Club, with a small financial contribution each month, as a valuable form of publicity and feeder group for Puddleducks.

Financial review

The Charity is funded by fee income and local authority funding. Total receipts amounted to £107,692 and after payments of £109,939, the net payments for the year amounted to £2,247.

The Trustees consider the year end financial position to be satisfactory and confirm that the Charity can meet all known obligations.

Reserves policy

At the year end, the Charity's free reserves amounted to £67,582. It is the Trustees' aim to maintain reserves in order to:

1. meet redundancy liabilities should the preschool have to close;
2. maintain a general contingency reserve equal to one term's outgoings;
3. maintain a designated contingency fund, accumulating over time, to cover the estimated cost of moving premises; and
4. invest in new toys and equipment as and when required.

After providing for the estimated cost of the above, the Charity has excess reserves remaining of £15,582 which will be used to fund the financial plans outlined above, keep fees to a minimum and support the expected ongoing future deficits resulting from funding cuts.

PUDDLEDUCKS COMMUNITY PLAYGROUP

REPORT OF THE TRUSTEES (continued)

FOR THE YEAR ENDED 31 AUGUST 2016

Trustees

The current Trustees are shown on page 1. V Goff, S Foster, R Paterson, L Goram, A Howell and A Costa resigned as Trustees in October 2015. E Kong, S Mark, T Haddon, R Cushing and K Gant were appointed as Trustees in October 2015. K Gat resigned as Trustee and A Snowling was appointed as Trustee in July 2016. All other Trustees held office throughout the year.

Signed on behalf of the Trustees

S Haddon
Chairperson
19 May 2017



PUDDLEDUCKS COMMUNITY PLAYRGROUP

RECEIPTS AND PAYMENTS ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Income receipts				
Fees	28,961	-	28,961	24,791
Early Years Funding	70,434	-	70,434	83,342
Grants	-	100	100	500
Bursaries	-	-	-	-
Ducklings	1,375	-	1,375	1,671
Monkey club	695	-	695	2,122
Milk refunds	81	-	81	472
Parent purchases	-	-	-	-
Sundry income	70	-	70	103
Fundraising income	5,933	-	5,933	5,432
Investment income	<u>43</u>	<u>-</u>	<u>43</u>	<u>82</u>
Total receipts for year	<u>107,592</u>	<u>100</u>	<u>107,692</u>	<u>118,515</u>
Direct charitable expenditure				
Wages	80,486	-	80,486	65,686
Rent	7,673	-	7,673	7,000
Expendables	1,425	-	1,425	2,390
Equipment	570	-	570	2,141
Milk and snacks	976	-	976	878
Yearly subscriptions	252	-	252	201
Administration expenses	1,365	-	1,365	1,445
Insurance	838	-	838	755
Ducklings	1,491	-	1,491	1,088
Monkey club	531	-	531	577
Gifts	746	-	746	886
Grants expended	-	100	100	500
Staff training	1,800	-	1,800	445
Parent purchases	-	-	-	-
Fundraising expenses	11,248	-	11,248	4,767
Sundry expenses	<u>438</u>	<u>-</u>	<u>438</u>	<u>1,332</u>
	<u>109,839</u>	<u>100</u>	<u>109,939</u>	<u>90,091</u>
Other payments				
Independent Examiner's fee	<u>-</u>	<u>-</u>	<u>-</u>	<u>150</u>
Total payments for year	<u>109,839</u>	<u>100</u>	<u>109,939</u>	<u>90,241</u>
Net payments for the year	(2,247)	-	(2,247)	28,274
Cash and bank balances at 31 August 2015	<u>75,600</u>	<u>-</u>	<u>75,600</u>	<u>47,326</u>
Cash and bank balances at 31 August 2016	<u>73,353</u>	<u>-</u>	<u>73,353</u>	<u>75,600</u>

PUDDLEDUCKS COMMUNITY PLAYGROUP

STATEMENT OF ASSETS AND LIABILITIES

31 AUGUST 2016

	2016 £	2015 £
Cash funds		
Bank current account	64,181	66,434
Bank fundraising account	<u>9,172</u>	<u>9,166</u>
	<u>73,353</u>	<u>75,600</u>
 Current Assets		
Income: Summer fees	46	202
Income: Milk refunds	-	-
Income: Sundry income	55	60
Income: Fundraising	616	-
Income: Ducklings	<u>-</u>	<u>108</u>
	<u>717</u>	<u>370</u>
 Current Liabilities		
Rent (Scout Hut – Ducklings)	51	119
Rent (Village Hall – Monkey Club)	150	65
Wages / PAYE / NI	6,287	8,886
Decorating	-	435
Purchases	-	271
Findel Education	<u>-</u>	<u>66</u>
	<u>6,488</u>	<u>9,872</u>

These financial statements were approved by the Trustees on 19 May 2017 and are signed on their behalf by:

S Haddon
Chairperson

S Watson
Treasurer

N Hall
Bookkeeper

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF PUDDLEDUCKS COMMUNITY PLAYGROUP

I report on the financial statements of the charity for the year ended 31 August 2016, which are set out on pages 4 to 5.

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(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

It is my responsibility to:

- examine the accounts under Section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under Section 145(5)(b) of the 2011 Act; and
- state whether particular matters have come to my attention.

Basis of independent examiner's statement

My examination was carried out in accordance with the 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 you as 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:

(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 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 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.



J Fox BA (Hons) FCA
10 Elmgrove Road
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Norfolk
NR31 7PP

19 May 2017

Chair Report

On behalf of the committee and staff I would like to thank all those who are here tonight for taking time out in their evening.

When starting as chair last year there were a few impending fact that were very much in the forefront of the committee, 1 we were overdue an ofsted inspection, 2 funding was being cut and 3 but our outgoing would go up inline with the Introduction of the national living wage.

All three we knew would effect Puddleducks, but this is where the foundation of Puddleducks and staff really have shone through for me.

On the first point we are still awaiting for the report to be officially released, but I can't not mention it as it has been looming in the background the whole year. To know that for the new chair to come in and not have that pressure is just around the corner is brilliant. What I can say from being there is that the Puddleducks ladies maintained their professional kept their cool and were able to demonstrate what we already know, that they are a nurturing hardworking team and always have our children's care and wellbeing at the forefront of everything they do.

The next points have been harder, funding cuts are very real one of my favourite slogans is champagne nurseries for lemonade funding. For poor Suzy this year has been number crunching a lot, behind every decision she has been focused in keeping upon track when not always knowing how much we can expect in, she has always been conservative and kept us inline.

As a committee we know with out a doubt, our staff are our biggest asset, which when looking at the national living wage there was never any question that we should increase their wages inline with this as well, and being a not for profit charity I would rather work at balancing the books knowing we are paying staff a fair wage.

Also knowing were the budget was going and allowing for future costs such as the introduction of the work place pension, committee had to make the difficult decision to increase our fees for the stability of the group going forward.

Having said on the budgeting front, there we would be a lot we would not be able to do without the continue efforts of fundraising. This year we have invested in online learning stories with tapestry, we have been able to continue the drama workshops, playhouse visits, Christmas party, end of year pre school party, new toys brought by fc, outdoor toys and the list goes on, so a big big thank you to jo and fundraising.

Although I am staying on the committee as many of you will know I am standing down as chair, It was never my intention when I joined the committee to take on the chair role and I only did so knowing I had the support of the committee (thank you), although challenging I certainly have learnt a lot and have a deep appreciation for all those involved with pd's, and very much look forward to working with the new Puddleducks chair.

PUDDLEDUCKS COMMUNITY PLAYGROUP

TREASURER'S REPORT

31 AUGUST 2016

The playgroup has made a loss of £2,247 in the year to 31 August 2016 which compares to a profit of £28,274 in the previous year. It has been a difficult year with cost increases all round so I would like to thank all the staff and the Committee for their help in keeping this loss to a minimum to secure the future of the preschool.

The annual accounts are in the process of being independently examined by Joanne Fox, BA (Hons) FCA as required by the Charity Commission. Special thanks goes to our bookkeeper, Natasha Hall, who has continued to look after our financial affairs and has provided valuable support to the Committee.

There has been a decrease in total income received in the year of £10,823 which is mainly due to the cuts in government funding.

Our most significant expenditure continues to be the investment we make in high quality staff. Staff salaries accounted for 73% of expenditure this year which is consistent with last year. Salaries for all staff were increased twice during the year in line with the increase in the national minimum wage and the new living wage requirements.

During the year, existing reserves have been used to fund significant investment in new equipment and toys for the group, the new online learning journal system and related computer equipment and the continued provision of free healthy snacks for all children. Thanks to the efforts of the fundraising team, we were also able to fund the group outing to see The Gruffalo's Child and several drama workshops in the setting during the year. As a result, the balance on the fundraising account has decreased by £5,315 this year leaving a balance of £3,857.

Over the coming year, the Committee intends to replenish the fundraising account with its fundraising efforts in order to be able to fund further extracurricular activities for all children.

At the end of the year, after accrued expenses, reserves stand at a healthy £67,582, however, the Committee would like to maintain the contingency funds established in prior years to fund redundancy liabilities in the unlikely event that the preschool has to close, the general reserve equal to one term's outgoings and the designated fund, which is accumulating over time, to cover the potential cost of moving premises should the need arise in the future.

To conclude, it has been, at times, a difficult year for Puddleducks with increasing overheads across the board. As a result of the cuts to income and general increase in overheads, the Committee made the difficult decision to increase fees for the new academic year. The incoming Committee will agree budgets for the coming year and continue to closely monitor costs to ensure that any further losses are kept to a minimum going forward.

Suzy Watson
Treasurer
14th October 2016