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**ALLEN GARDENS PLAYGROUP**

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**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2019**

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## **ALLEN GARDENS PLAYGROUP**

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## ALLEN GARDENS PLAYGROUP

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### REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 MARCH 2019

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<b>Trustees</b>	Beauti Nessa Rabin Begum Hasna Ali Elvin Sava Marsha Matovu
<b>Charity registered number</b>	1173160
<b>Principal office</b>	55 Buxton Street London E1 5EH
<b>Accountants</b>	Williams Giles Professional Services Ltd Chartered Accountants Sittingbourne Kent ME10 5BH

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## ALLEN GARDENS PLAYGROUP

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### TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

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#### Manager's Report 2018-19

To begin with I would like to take this opportunity to thank all the staff at Allen Gardens Playgroup as well as all the trustees for their immense level of hard work and dedication over the past year.

This year has been very eventful, exciting and challenging for us all. We carried out new recruitment for the position of a Deputy Manager as well as a Maternity cover post. I worked with the Committee to create and put together a new system for recruitment ensuring it complies with the recruitment legislation and following the safeguarding policies and procedures.

In January 2019 I was offered by the Committee to fully take on the role of the Manager from being the acting manager. This role requires me to take the lead of the day to day running of Allen Gardens Playgroup. Overlooking the staff as well as the learning and development of children, ensuring continuity and positive outcomes in all areas.

#### Staff

At Allen Gardens Playgroup we have 6 members of staff. The Manager, Deputy Manager, Three Nursery Nurse and one Nursery assistant who is responsible for the house keeping duties. All staff have relevant childcare qualifications starting from level 2 and up to level 6.

#### Training/Professional Development

In the past year all staff have enhanced their professional development by acquiring several skills and knowledge through:

##### Training with Early Years

- Bilingualism
- Safeguarding
- Leadership and Management
- Manager's conference
- SEN update Forum
- Level 2 Health and Safety

##### In house training

- Safeguarding
- GDPR
- Planning
- Policies and Procedures
- Ofsted Inspection

#### Recruitment of children

We have an open register which means we enrol children through out the year following a fair admissions policy. On role at present we have 30 children and have a healthy waiting list of children who will be starting the following term. Most of our children are under the Early Learning 2-year-old funding and some are through the 3-year-old funding. We also cater for 30 hour funded places and have had children under this criteria in the past.

#### Ofsted

Our last Ofsted inspection took place in June 2017. Throughout our past Ofsted inspections, we have always had a good score, however looking forward to the future we are aiming for outstanding. We have already implemented changes in accordance to the Early Years Framework with planning, observing and assessing. To ensure that we strive to get an outstanding we all need to work together (staff, Committee and Parents). From

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## **ALLEN GARDENS PLAYGROUP**

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019**

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our previous feedback from the Ofsted inspection one of the things which has been highlighted is the building inadequacy. Firstly, the building is deemed not fit for purpose. Alongside We do not have many facilities such as:

- No disabled access to the building
- No disabled toilet facilities
- Asbestos roof
- Minimal security measures at the front gate

#### **Recommendations**

In order to maintain the good practice and continuity there are some recommendations for the future:

- Business Plan (Gareth, Patricia Wells from Early Years)
- Building work (liaise with the council)
- Purchasing of new equipment's and resources for the children.

Once again, I would like to thank everyone present here today. I would particularly like to thank all the Committee Members.

**Nazma Begum**  
19th December 2019  
Manager at Allen Gardens Playgroup

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## **ALLEN GARDENS PLAYGROUP**

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019**

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#### **Treasurer Report 2018-19**

##### **1. Annual accounts**

Our income in 2018-19 totalled £62,850 and is paid by London Borough of Tower Hamlets Council (LBTH) for funded places for 2- and 3-year olds. Our expenditure totalled £55,432 the majority of which is staff wages and the pension contributions at the cost of £35,946.

The committee and staff have worked hard this year to increase the take up of places but as the only income stream, we should look to review our capacity to take children who are eligible for 30 hours, given we offer morning and afternoon sessions. The playgroup is constituted to take children up to the age of 5 years old. Another avenue to explore is to take private children, however this needs to be balanced with prioritising families with most need. The playgroup has been a vital service in the local community supporting vulnerable families and children with additional needs.

##### **Recommendations**

- I. review our capacity to take children who are eligible for 30 hours;
- II. To forecast income and expenditure for 2019/20 and ensure all financial commitments can be met;
- III. To develop a funding strategy;
- IV. To continue to allocate funds towards improving the equipment, training and resources available to staff and children;

##### **2. Internal costs**

Other internal costs this year included the funds spent on purchasing new resources and equipment's for the staff and children. The Committee purchased new office furniture for the staff.

##### **3 Pay scale**

The committee have now introduced a transparent pay scale for all position.

##### **Recommendation**

- I. Rates of pay should be reviewed once a year by committee to ensure consistency and transparency. Any requests to increase an employee's rate of pay should be submitted to the committee for consideration, the decision should be signed off and recorded in minutes of the meeting.

##### **4. Staff**

The committee also wanted to acknowledge length of service of our staff. For staff who have worked at the playgroup for 5 years or more they will be awarded an extra day's paid annual leave.

##### **5. Pension**

All staff have opted into the NEST pension scheme. Our staff pension scheme continues to be funded by 3% employer contributions to all staff.

##### **6. Building refurbishment & future rent**

The committee are very keen to update the building and enhance the children's learning environment. The committee have set aside monies from the general funds for refurbishment and future rent. The building was deemed not fit for purpose in 2015 by LBTH. There have been ongoing discussions with the Council about how this will be paid for, given this is a Council building.

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**ALLEN GARDENS PLAYGROUP**

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**TRUSTEES' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019**

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Similarly, the Council now wish to charge the playgroup commercial rent. The playgroup has never previously paid rent. The committee along with other community nurseries have been lobbying the council to be exempt from this given that we are a community-serving provision receiving 100% government funding for 2- and 3-year olds.

Rasbin Begum  
19th December 2019  
Treasurer  
On behalf of Allen Gardens Playgroup

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## **ALLEN GARDENS PLAYGROUP**

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### **TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2019**

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#### **Chairperson's Report 2018-19**

I have been elected by the Parents of Allen Gardens Playgroup as the Chairperson on 15th November 2018.

This year has been a very exciting year at Allen Gardens, as the Chairperson I have spent a lot of time at the setting with the staff to gain a better understanding of the setting and the roles and responsibilities of all staff.

At the beginning of the year 2019 the committee advertised for the Deputy manger's and Maternity cover position. We recruited following the recruitment policies and procedures.

During this year all the committee members have shown great enthusiasm in their positions and we have all worked well together to support the staff and parents. We organised events for the local community such as the valentine fair, and the summer fete. We also celebrated many festivals together, Christmas, Eid and Easter. The committee members and staff organised a day trip for the children and parents for a day out to Broadstairs Beach which was great success and enjoyed by all.

Allen Garden Playgroup continues to offer early year education and quality childcare to families in the local community.

Allen Gardens have wonderful staff who have years of experience and who are dedicated and work hard. I would like to take this opportunity to thank Nazma the Manager, for her hard work and dedication. I would also like to welcome Momotaz in her role as the Deputy Manager and take this opportunity to thank her for showing her initiative in leading and manging the setting in the absence of the Manger.

All staff have been fantastic in their role and they have worked well together. They work extremely hard every day for making sure each individual child has a rich learning experience and ready for school by the time they leave the setting.

I would like to take the opportunity to thank all the committee members for their hard work and dedication.

Best wish for Allen Garden Playgroup for the future.

Beauti Nessa  
19th December 2019  
Chair of Allen Gardens Playgroup



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## **ALLEN GARDENS PLAYGROUP**

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### **INDEPENDENT EXAMINER'S REPORT FOR THE YEAR ENDED 31 MARCH 2019**

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#### **Independent examiner's report to the Trustees of Allen Gardens Playgroup ('the Charity')**

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 March 2019.

#### **Responsibilities and basis of report**

As the Trustees of the Charity you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the 2011 Act').

I report in respect of my examination of the Charity's accounts carried out under section 145 of the 2011 Act and in carrying out my examination I have followed the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### **Independent examiner's statement**

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Association of Chartered Certified Accountants, which is one of the listed bodies.

Your attention is drawn to the fact that the Charity has prepared the accounts in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has been withdrawn.

I understand that this has been done in order for the accounts to provide a true and fair view in accordance with the Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 Charity as required by section 130 of the 2011 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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

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**ALLEN GARDENS PLAYGROUP**

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**INDEPENDENT EXAMINER'S REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 MARCH 2019**

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Signed:

Dated: 23 January 2020

Alexander Ffrench

FCCA DChA

12 Conqueror Court  
Sittingbourne  
ME10 5BH

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ALLEN GARDENS PLAYGROUP

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STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2019

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	Note	Unrestricted funds 2019 £	Total funds 2019 £
<b>Income from:</b>			
Donations and legacies	3	269,513	269,513
Charitable activities	4	62,850	62,850
<b>Total income</b>		<b>332,363</b>	<b>332,363</b>
<b>Expenditure on:</b>			
Charitable activities		55,432	55,432
<b>Total expenditure</b>		<b>55,432</b>	<b>55,432</b>
<b>Net movement in funds</b>		<b>276,931</b>	<b>276,931</b>
<b>Reconciliation of funds:</b>			
Net movement in funds		276,931	276,931
<b>Total funds carried forward</b>		<b>276,931</b>	<b>276,931</b>

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 11 to 18 form part of these financial statements.

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ALLEN GARDENS PLAYGROUP

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BALANCE SHEET  
AS AT 31 MARCH 2019

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	Note	2019 £
<b>Fixed assets</b>		
Tangible assets	9	1,267
		<u>1,267</u>
<b>Current assets</b>		
Debtors	10	3,749
Cash at bank and in hand		274,200
		<u>277,949</u>
Creditors: amounts falling due within one year	11	(2,285)
		<u>275,664</u>
<b>Net current assets</b>		<u>275,664</u>
<b>Total assets less current liabilities</b>		<u>276,931</u>
<b>Net assets excluding pension asset</b>		<u>276,931</u>
<b>Total net assets</b>		<u>276,931</u>
<b>Charity funds</b>		
Restricted funds	12	0
Unrestricted funds	12	276,931
		<u>276,931</u>
<b>Total funds</b>		<u>276,931</u>

The financial statements were approved and authorised for issue by the Trustees on 19 January 2020 and signed on their behalf by:

**Beauti Nessa**  
(Chair of Trustees)

The notes on pages 11 to 18 form part of these financial statements.

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## ALLEN GARDENS PLAYGROUP

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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#### 1. General information

The charity is an unincorporated trust. The charity provides childcare to pre school children from its premises at 55 Buxton Street, London E1 5EH.

#### 2. Accounting policies

##### 2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) – Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Charities Act 2011.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following the Charities SORP (FRS 102) published on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Allen Gardens Playgroup meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

##### 2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

##### 2.3 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Charity's objectives, as well as any associated support costs.

All expenditure is inclusive of irrecoverable VAT.

##### 2.4 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

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## ALLEN GARDENS PLAYGROUP

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019

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## 2. Accounting policies (continued)

### 2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing £NIL or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following basis:

Fixtures and fittings	-	25% Straight Line
Office equipment	-	25% Straight Line
Computer equipment	-	25% Straight Line

### 2.6 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

### 2.7 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

### 2.8 Liabilities and provisions

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the statement of financial activities as a finance cost.

### 2.9 Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

### 2.10 Pensions

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**ALLEN GARDENS PLAYGROUP**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**2. Accounting policies (continued)**

**2.11 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

**3. Income from donations and legacies**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Transfer of activities from unincorporated charity	<b>269,513</b>	<b>269,513</b>

**4. Income from charitable activities**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Income from charitable activities - Provision of Child Care	<b>62,850</b>	<b>62,850</b>

**5. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>
Provision of Child Care	<b>35,946</b>	<b>19,486</b>	<b>55,432</b>

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ALLEN GARDENS PLAYGROUP

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019

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5. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Provision of Child Care 2019 £	Total funds 2019 £
Staff costs	35,946	35,946

Analysis of support costs

	Provision of Child Care 2019 £	Total funds 2019 £
Depreciation	823	823
Play equipment and materials	5,213	5,213
Milk and food	157	157
Telephone	408	408
Repairs and maintenance	507	507
Accountancy fees	1,440	1,440
Professional fees	3,450	3,450
Recruitment costs	5,582	5,582
Cleaning materials	383	383
Training	50	50
Ofsted costs	35	35
Stationery and postage	94	94
Computer costs	23	23
Rates	1,054	1,054
Sundry	67	67
Staff Welfare	200	200
	19,486	19,486



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**ALLEN GARDENS PLAYGROUP**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**6. Independent examiner's remuneration**

	<b>2019 £</b>
Fees payable to the Charity's independent examiner for the independent examination of the Charity's annual accounts	<b>720</b>
Fees payable to the Charity's independent examiner in respect of: All other services not included above	<b>720</b>
	<hr/> <hr/>

**7. Staff costs**

	<b>2019 £</b>
Wages and salaries	<b>35,575</b>
Contribution to defined contribution pension schemes	<b>371</b>
	<hr/> <hr/> <b>35,946</b>

The average number of persons employed by the Charity during the year was as follows:

No employee received remuneration amounting to more than £60,000 in either year.

**8. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits.

During the year ended 31 March 2019, no Trustee expenses have been incurred.

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**ALLEN GARDENS PLAYGROUP**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**9. Tangible fixed assets**

	Fixtures and fittings £	Office equipment £	Computer equipment £	Total £
<b>Cost or valuation</b>				
Additions	-	525	-	525
Transfers intra group	3,233	-	920	4,153
At 31 March 2019	<u>3,233</u>	<u>525</u>	<u>920</u>	<u>4,678</u>
<b>Depreciation</b>				
Charge for the year	539	131	153	823
Transfers intra group	2,511	-	77	2,588
At 31 March 2019	<u>3,050</u>	<u>131</u>	<u>230</u>	<u>3,411</u>
<b>Net book value</b>				
At 31 March 2019	<u><u>183</u></u>	<u><u>394</u></u>	<u><u>690</u></u>	<u><u>1,267</u></u>

**10. Debtors**

	2019 £
<b>Due within one year</b>	
Other debtors	3,749
	<u>3,749</u>

**11. Creditors: Amounts falling due within one year**

	2019 £
Other creditors	125
Accruals and deferred income	2,160
	<u>2,285</u>

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**ALLEN GARDENS PLAYGROUP**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**12. Statement of funds**

**Statement of funds - current year**

	Income £	Expenditure £	Balance at 31 March 2019 £
<b>Unrestricted funds</b>			
<b>Designated funds</b>			
Redundancy	76,200	-	76,200
Equipment	1,800	-	1,800
Equipment (new)	26,725	-	26,725
Sickness/cover	65,000	-	65,000
Refurbishment	22,075	-	22,075
	<u>191,800</u>	<u>-</u>	<u>191,800</u>
<b>General funds</b>			
Unrestricted	140,563	(55,432)	85,131
	<u>140,563</u>	<u>(55,432)</u>	<u>85,131</u>
<b>Total Unrestricted funds</b>	<u><u>332,363</u></u>	<u><u>(55,432)</u></u>	<u><u>276,931</u></u>

**13. Summary of funds**

**Summary of funds - current year**

	Income £	Expenditure £	Balance at 31 March 2019 £
Designated funds	191,800	-	191,800
General funds	140,563	(55,432)	85,131
	<u>332,363</u>	<u>(55,432)</u>	<u>276,931</u>

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**ALLEN GARDENS PLAYGROUP**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2019**

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**14. Analysis of net assets between funds**

**Analysis of net assets between funds - current year**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Tangible fixed assets	1,267	<b>1,267</b>
Current assets	277,949	<b>277,949</b>
Creditors due within one year	(2,285)	<b>(2,285)</b>
<b>Total</b>	<b>276,931</b>	<b>276,931</b>