



345 Preschools Ltd

Annual General Meeting, Tuesday 7th October 2014

8pm at Tetherdown URC Hall, N10 1NP

Minutes

1. Introduction and Apologies

Stephany Clark, chair of the current committee, together with Ceri Machin, welcomed everybody and thanked staff for inviting so many parents to volunteer for the committee, and also for so many parents to nominate themselves to serve on the committee.

1.1. History and Structure of 345 – Stephany Clark

345 has a long history in Muswell Hill. It was established in Church Crescent back in 1967 as a playgroup run by parents in response to the lack of nursery places in the area. Although we now operate on three sites, Springfield (SF), Tetherdown (TD) and Church Crescent (CC), offering almost 100 places, we still retain this community-based, parent-run ethos and rely on parents willing to donate their time and effort each year to serve on the committee or help with fundraising activity. The active participation and involvement of all parents is critical to 345's success and the positive experience of the children. Running it this way also helps to keep the charges and costs as low as possible so that we can be as inclusive as possible.

As well as being a registered charity, 345 is a company limited by guarantee. This is the most common legal structure in the not-for-profit sector. It is a private limited company, regulated by Companies House, but unlike a conventional company it does not have any shareholders. Instead it has members. With the joining pack, all parents receive a simple membership form. Filling this in makes the parent a member of 345 for as long as the child attends one of the preschools. This entitles the parent to one vote at AGMs and EGMs. Spare forms were provided at the AGM. "Limited by guarantee" means that in the highly unlikely event of 345 becoming insolvent, parents' liability would be limited to a nominal £1.

Unlike nurseries which can operate at a ratio of 1:13, 345 has a ratios of 1:4 for two year olds and 1:6 for three year olds so the contact time they have with adults is massively more. This makes the settling in process easier. It also allows the staff to take their time with each child and means they can really get to know them and their needs. I have found that this extra level of attention has helped so much with both my children as they have both gone on from here as confident, and happy.

2. Minutes from the 2013 AGM

The notes from last year's Annual General Meeting were approved without changes, and signed by Stephany Clark.

3. Ceri gave a report on last year's activities

There were multiple significant changes over the last year that occurred at 345.

The Springfield setting was restructured, making it a full-day setting with consistent full-day staffing.

3.1. Staff changes

The deputy role was restructured to bring it in line with other preschools, along with appropriate pay and a clearer development path.

We have also increased our administrator's hours.

We were sad to say goodbye to Sami, co-manager at Springfield and Natasha, manager at Tetherdown, last term. We also said goodbye to Aileen from Tetherdown. Cat from Springfield is currently on maternity leave.

Nieves is stepping up to the leader's role at Springfield on Donna's day off. Loredana has moved over from Church Crescent to become new manager at Tetherdown. Karin is now manager at Church Crescent and Sarah is deputy.

3.2. Affiliate committee members

The past couple of years the idea of having affiliates of 345 has been discussed. This involves volunteers with relevant experience or expertise who would be happy to offer their support to 345, attend committee meetings when able to, and be willing to be consulted on matters that may arise throughout the year. We are delighted to have welcomed Robin Dunn on board as our first 345 affiliate who possesses great knowledge and experience in company management and HR. It is a great comfort to committee and staff to know that he can be called upon as and when required. We truly hope he will be joined by other affiliates throughout the coming year.

3.3. Tetherdown Hall sale and setting relocation

Just before Christmas we learnt that Tetherdown premises was very likely to be sold in the near future and we decided to proactively look for new premises. We are delighted to now be in advance planning stages with Pages Lane Guy Chester House. We hope to have a brand new preschool to move Tetherdown into early next year.

3.4. Church Crescent 2-year-old scheme and possible merger

The latest change to announce is that we have introduced the two year old scheme to CC as of this term. This is a central government funding that enables two year olds from lower income (and other criteria) families to reap the rewards of attending a preschool. This has enabled 345 to be more inclusive within the community.

Despite this, CC remains significantly under capacity, with currently only 11 places filled of 26. This situation may necessitate merging TD and CC into one setting at the new premises at Pages Lane Guy Chester House, so that as of next year, 345 may consist of two settings rather than three.

3.5. Acknowledgements

Finally, on behalf of the committee, Stephany and Ceri expressed thanks to all 345 staff for their hard work this past year, which is reflected in the preschool's fantastic results from the Haringey Accreditation Scheme. Despite this great achievement, the main proof of the quality of the practitioners' work for the parents remains the children's pleasure at attending the settings.

The chairs also thanked Lou (General Manager) and Debbie (Administrator) for everything they have done and continue to do to make 345 run so smoothly, and encouraged the future committee to support these two in their work in any way possible, as they have proven invaluable to 345 the past year.

Ceri also thanked Stephany for everything she has done for 345 in her two years as Co-Chair. Not just for all her delicious baking for every event or her numerous calls to Preschool Learning Alliance (PSLA) but also for all the other thankless tasks that only Ceri and Lou have been privy to. Heartfelt thanks went to Stephany for the many hours of her time she dedicated to 345 business over the past two years, also including taking on the role of interim Treasurer this past year.

All current committee members will stand down as of tonight. They have all enjoyed being a part of the committee and wish new members and all 345 staff every success in the coming year.

4. Treasurers Report 2013/2014

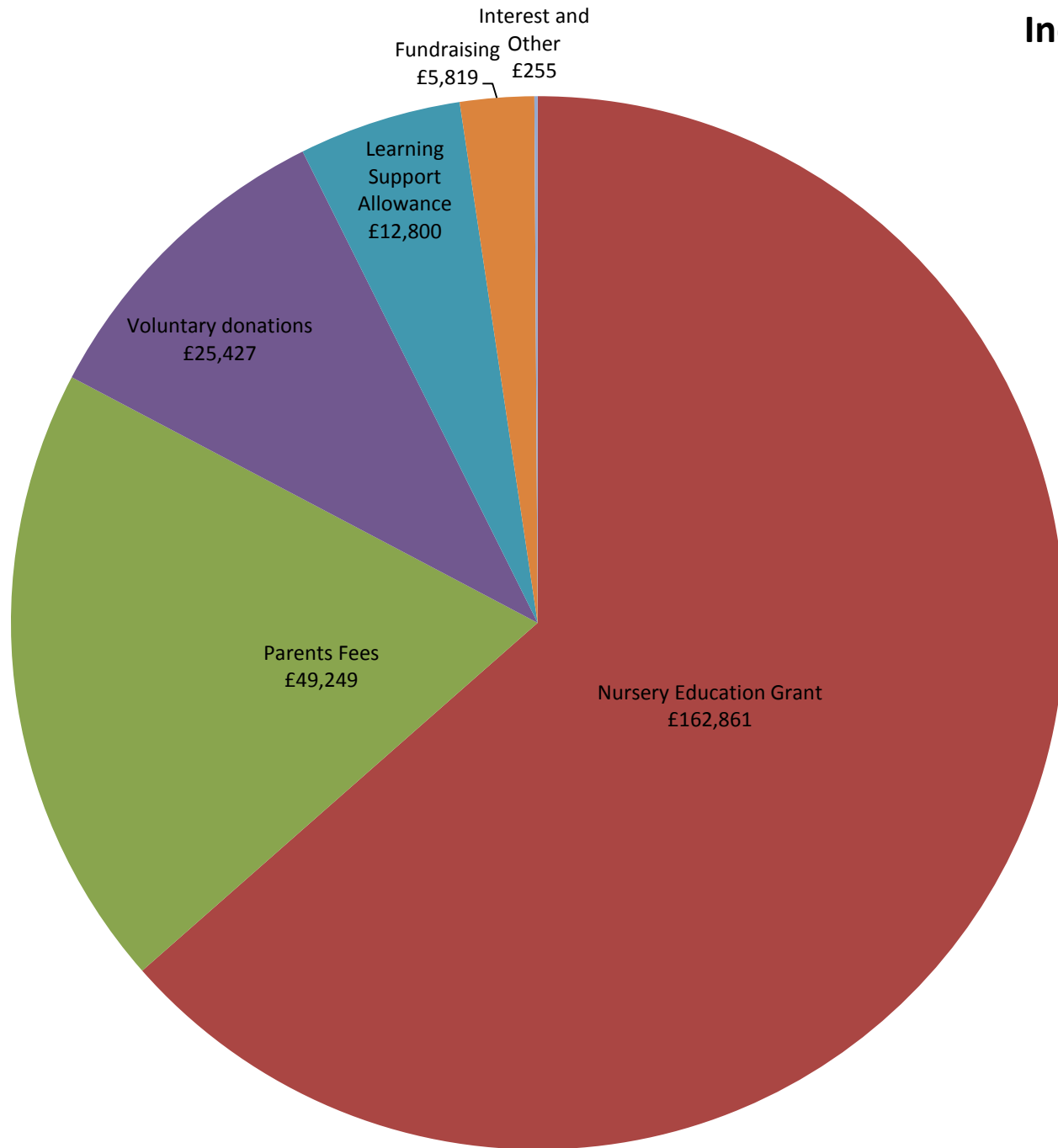
This year the committee has not had an experienced treasurer which has proven difficult as many of the decisions that face the committee and management cannot be made without a good grasp of the financial situation of the preschool. The committee, but mainly Stephany, has done their best to keep track of the finances.

Last year several changes were made to help improve the preschool's financial position, including stopping the use of agency staff, instead maintaining a list of staff for relief hours autonomously, which made a big saving. Rather than commissioning an auditor every year, 345 now has an accountant who performs the auditing as well within her moderate fees. With these and a few other small changes the preschool managed to spend around £11k less than the previous year.

Last year however, 345 made a substantial loss in the region of £20,000. Detailed analysis showed that 345 was down in numbers in the region of seven sessions every week across the year which clearly had an impact on its income. However, the biggest factor in the deficit was the very low payment level of the Voluntary Contributions (VCs). While in the past typically 60% of parents would pay the VCs, and with a little chasing this could reach up to 75%, last year VCs were under 40% across the board. Had the VCs been at the 60% mark, then 345 would have turned a small profit despite the slight reduction in the number of children. This is something that needs to be addressed this year.

As can be seen from the pie charts below, the income received from the Government Grants and the fees charged (for children under three) do not even cover what 345 pays in wages and rents. The VC is vital to 345, without it the preschool would have to close down.

Income 2013-2014 - Total £256,411



Total Income from Fees/NEG:

£212,110

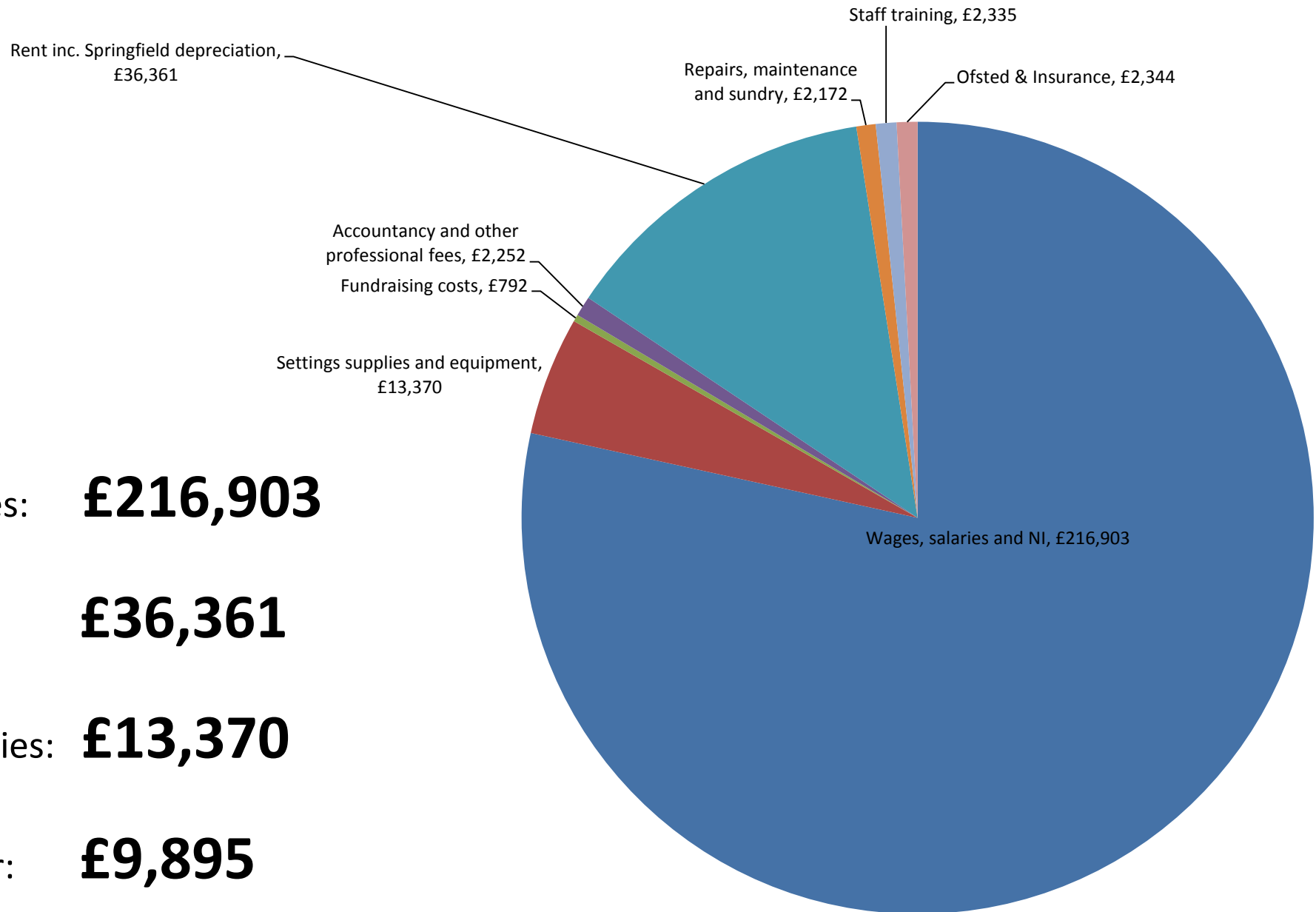
Total Income from VC's:

£25,427

Total Other Income:

£18.874

Expenditure 2013-2014 - Total £276,529



Wages: **£216,903**

Rent: **£36,361**

Supplies: **£13,370**

Other: **£9,895**

345 is a not for profit charity, aiming to break even every year or to make a small profit which goes into the reserves. It operates with a minimum of three and a maximum of six months' running costs in the bank accounts. Last year the reserves were at 4.5 months but with the deficit this has now dropped to around four months. This current year will see the move to Pages Lane, the budget for which at this stage contains many variables. However, if staff, management and the new committee achieve to get VCs above 80% this year, the reserves should rebound. In consequence this also meant that no pay rises could be offered to the hard-working staff, and that buying any larger equipment that is needed in the settings for the children may have to be put off. Any money raised through VCs or fundraising goes straight back into the settings for day to day items as well as equipment and investing in our staff. All the money, time and effort put in by parents and staff go straight back to making things better for our children. This year, a little bit of input from everybody in a community spirit is required rather than large amounts of effort by very few as it was over the last year.

Another difficulty is the very low utilisation at Church Crescent, where despite best efforts places are not filling up to the required level. The original plan was to move TD over to Pages Lane in January (as the notice was received last year that Tetherdown Hall may be sold). The plan was then to merge CC with Pages Lane in September 2015. A thorough examination of the finances at the beginning of term led to the realisation that if the current level of intake remained for the rest of the year, the preschool would lose about £70,000. Numbers at CC have increased slightly since then but not enough for the setting to break even. A £70k loss would mean that 345 would go bankrupt and would be forced to close down all settings, which would be a great shame for the community.

As a remedy, CC and TD may have to merge sooner than originally intended. This will generate upheaval and may be inconvenient, but ultimately for the good of 345. As yet, nothing is set in stone. There is no moving-in date for Pages Lane yet and spaces at CC may fill up with further effort. The committee wanted to give parents as much advance notice as possible, and therefore announced the possibility of a move to Pages Lane and merger with TD. More concrete information should emerge over half term.

In summary, this year's treasurer and the managers will have to keep a close eye on the finances and push to get as much of the VCs as possible. Even with the potential move to Pages Lane, there is no reason 345 should not thrive with everyone's involvement, which is why it is great to see so many strong candidates for the committee this year.

4.1. Questions raised in discussion

- The comment was made that the preschool could offer paying the VCs in monthly instalments. Debbie explained that only Nursery Education Grant (NEG) receivers actually pay the VCs, while parents of children under three pay a fee into which the VCs have been included. The bills are itemised and options are offered to pay in instalments already. Further suggestions on how payment could be tendered are most welcome.
- A question was raised about the TD & CC merger in January. Spaces are limited to 28 at Pages Lane, however this would also be a full-day setting, while TD and CC are half-day AM sessions, with PM extensions. Parents would be asked to choose afternoon sessions. The TD sale is on a timeframe of 1-3 years, but no further information is available. The committee decided to be proactive and find a new setting, and Pages Lane is an excellent new venue with ample outside space, new kitchen and facilities, and 345 would have exclusive use of the venue, while currently a lot of manual labour and lifting are involved in clearing up TD and CC every day.
- There is a budget of around £5k for new equipment for Pages Lane. A playhouse has already been kindly donated. The move also gives a very tangible fundraising opportunity.

5. Fundraising

Activities included a successful quiz night at the Clissold Arms earlier this year as well as organizing the traditional Easter egg hunt and winter and summer fairs. Each setting also organized their own fundraising events, enabling them to purchase equipment for their setting.

Catherine signed 345 up to 'Easy fundraising'. This is a means of 345 receiving money each time a subscriber pays for something on an account such as Amazon. It really is an effective and hassle free way of raising funds free of charge to parents and the preschool. This needs to be publicised again to new parents.

We have also revised the 345 application form to make the requirement for parental involvement clearer. In line with raising funds for 345, we have throughout the year sent regular reminders to parents about the need for voluntary contributions along with clear reasons why they are so important. As discussed in the treasurer's report, this is an issue that will continue to be very important for next year's committee.

6. Updating of policies

Lou put forward the revised Policies and Procedures for the chairs to sign.

7. AOB and election of new committee members

No other business items were raised.

The AGM voted unanimously and without objections in an open vote the following nominees for the new parent committee:

- Gita Mendis
- Ian Jackson
- Gary Robson
- Michaela Newsom
- Nicole Bator (in absence)
- Madelaine Healey
- Michael Frantzis
- Julia Frantzis
- Mia Jenkins
- Julia Mackenzie
- Liz Hebborn
- Jenny McCorry