Pre-school Learning Alliance

Essex, Southend and Thurrock Sub-Committee

Committee Development Guide

PRE SCHOOL LEARNING ALLIANCE

INVESTOR IN PEOPLE

Essex County Council

Please have this available at all committee meetings with a copy of your constitution.

Foreword

Every year new volunteers join your committee. Some may come with previous experience of work on other committees however many will have no experience at all.

This guide has been produced by Development Officers in Essex, Southend and Thurrock from contributions by Development Officers across the East Division. We hope that you find it a useful, friendly guide to managing your setting.

Throughout this guide the term setting refers to all childcare provision; pre-school, day nursery, kindergarten, crèche or baby and toddler group who are operating to a Pre-school Learning Alliance constitution, which has approval by the Charity Commission.

We have tried to make this guide clear and concise. For additional information on each section, please contact your local Alliance Development Officer or the County Office for up to date information on current Alliance publications to support Charity Constituted/Incorporated settings.

See p16 for additional publication suggestions.

Your Development Officer is there to help you if you need advice and support. Please get in touch, remember a problem shared is a problem halved.

To ensure all committee members understand their roles, responsibilities and financial liabilities of your setting. Please ensure you use the circulation box below.

	Name	Date received	Date signed as read
Chair			
Treasurer			
Secretary			
Committee member			
Committee member			
Committee member			
Committee member			
Committee member			
Committee member			
Committee member			
Committee member			
Baby & Toddler Group rep. (if applicable)			

Contents

Essex, Southend & Thurrock Pre-school Learning Alliance

The Pre-school Learning Alliance is a registered educational charity and a company limited by guarantee.

The Alliance works with parents and community groups to enhance the development and education of pre-school children.

Our mission is to

- Help children to succeed,
- Create the childcare which families need, and
- Build learning communities

As with all charities the Alliance has a constitutional structure and is managed from its National Centre in London.

At the local level we have a team of development officers who have been offering advice and support to parents and those setting up and running early year's settings and baby and toddler groups for over 20 years, through an agreed contract with Essex Early Years and Childcare. Our team has partnered with the Essex Early Years and Childcare to deliver a challenging and evolving early year's agenda. We have a commitment to support Essex Early Years and Childcare to achieve their statutory obligations of quality, sustainability and sufficiency which will ultimately result in better outcomes for children.

Constitutional

MEMBERS

In a geographical area form

SUB-COMMITTEES

Which elect
i) 3-4 Reps to Divisional Councils
ii) Executive Committee which oversees local work and finances

DIVISIONAL COUNCILS

Nominate volunteers for Members to elect 2-3 people to serve on

BOARD OF TRUSTEES

Informal

MEMBERS

ALLIANCE COMMUNITIES

LOCALITY FORUMS

Appointed as delegates by Divisional Councils to attend meetings of the NATIONAL FORUM

Understanding Your Roles & Responsibilities

What are You, The Committee, Jointly Responsible For?

The elected Committee are the trustees of the setting and are responsible for the management of the Early Years Setting and all associated liabilities. The Committee are the Registered Providers with Ofsted. All decisions on the operation of the setting are the responsibility of the Committee. The Committee can delegate the implementation of some decisions to staff, (this could include employing a person with administration/booking skills plus the childcare staff) but will still retain the overall responsibility. As an elected committee member you must at all times adhere to the setting's confidentiality policy, treating all information relating to the setting (business, staff, parents/carers & children) appropriately. The overriding duty of the committee is to act only in the interests of the setting.

Committee Handover

As a newly elected committee member you must inform yourself of your role and responsibility. All new officers of the committee should review all existing information about the setting and ensure its compliance with the associated liabilities e.g. Ofsted, Early Years Foundation Stage. Ensure you receive a full handover from the outgoing committee members (see Appendix 2 – Committee Handover Checklist).

Charity

As a constituted (committee run) setting which is registered with the Charity Commission, you have charitable status and must abide with Charity Law and your constitution. Your constitution is the set of rules by which you operate as a charity. This in itself is a legal document. Your setting may have adopted the Pre-school Learning Alliance model constitution (which has approval by the Charity Commission). This must be re-adopted annually at your AGM.

If the committee at anytime propose that the charity should close (dissolve) they should adhere closely to the constitutions dissolution clause and ask for guidance from the Alliance development staff. If an acting committee member wishes to resign their role to become a paid member of staff within the setting they must seek prior agreement from the Charity Commission.

Children Act

As a committee you have a duty to ensure that your Early Years Setting complies with the requirements of the Children Act 1989 & 2004. This does not apply if your setting meets one of the exception criteria for Ofsted registration (e.g. some crèches or a baby and toddler group).

Ofsted as the regulatory body carry out inspections of all registered provision under the Children Act and the Early Years Foundation Stage (EYFS), Welfare Requirements.

Safeguarding Children

All committee members, as the Registered provider of the setting together with all staff including regular volunteers must complete an Enhanced Criminal Record Bureau (CRB) check, in accordance with Early Years Foundation Stage. Until these are completed, the person concerned cannot be left alone with any child(ren). It would be good practice for a baby and toddler group leader to hold a current CRB clearance. The welfare of the child is paramount. Please refer to Independent Safeguarding Authority www.isa-gov.uk and Essex Safeguarding Children Board website www.escb.co.uk for up to date information.

All matters must be treated with absolute confidentiality.

Employers

As a committee you are responsible for the management of your setting. You are the employers and have the following duties:

- Recruitment.
- Wages/Salaries/Tax and National Insurance/Stake holder pension contributions.
- Appraisals.
- Contracts of Employment/Terms and Conditions/Grievance and Discipline.
- Working Time Directive/Minimum Wage.

Financial Management

The committee has a duty to ensure sound financial management, the following have to be taken into account.

- Developing a Business Plan.
- Cash Flow Forecast.
- Accounts.
- Budgeting.
- Fees (Parental and Free Early Education Entitlement)
- Wages.
- Insurance.
- Membership fee for support organisations e.g. Pre-School Learning Alliance.
- Milk returns.
- Accommodation costs.
- Employment/staff costs - such as NI/Tax/Pension, holiday pay
- Volunteer expenses.
- Administration costs.
- Promotion/publicity costs (including prospectus and newsletters).
- Training Costs.
- Magazine subscriptions e.g. Nursery World.

Policy Making

Policies should be drafted and agreed by all members of the Early Years setting - staff, committee and parents/carers. They should be monitored and reviewed annually, and adopted at each AGM.

Policies are required by Ofsted and are seen as good practice by the Pre-school Learning Alliance. Baby and toddler groups can provide members with ‘Statements of Practice’ which link to the groups full policies.

See Early Years Foundation Stage (EYFS) for full requirements.

Health and Safety

The Committee has a duty to make sure that both adults and children have a safe and secure environment. It is important to ensure that the setting maintains an up to date Insurance Certificate, carries out regular Risk Assessments, Fire Drills and has an appointed First Aider present at every session. The setting must comply with the following legislation:

- Health and Safety at Work Act 1974.
- Control of Substance Hazardous to Health regulations (COSHH) 2002.

- Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) 1995.
- Fire Precautions Act 1971.
- Electricity at Work Act 1989.
- Food Safety Act 1990.
- Manual Handling Regulations 1992.
- The Fire Precautions (Workplace) Regulations 1997 (amended).
- The Food Safety (General Food Hygiene) Regulations 1995.
- The Manual Handling Operations Regulations 1992 (amended 2002).
- Medicines Act 1968.
- Health and Safety (First Aid -) regulations 1981.
- Equality Act 2010

This list is not exhaustive and it is the Committee's duty to keep themselves updated of any new legislation.

Keeping Written Records

The Committee has a duty to keep written records in compliance with the Data Protection Act 1998 and Freedom of Information Act 2000 this applies to both registered an non registered provision. See also Early Year Foundation Stage document (EYFS).

- Records should be kept for the length of time specified on each document and as required by law.
- Contracts of Employment.
- Copies of qualifications and staff-training certificates.
- Registration certificate.
- Registers - see list in (EYFS).
- Accident, Confidential Incident and Medication Books.
- Accounts.
- Correspondence.
- Inventory.
- Public Liability and Insurance Certificates.
- CRB certificate number, date of clearance and type (enhanced or standard)

Data Protection Principles

All early years providers should have in place a Data Protection Policy which complies with the eight principles of data protection and processes data accordingly. The Data Protection Act 1998 came into force on 1st March 2000. The Act is designed to make sure that personal data covered by the Act is gathered and used fairly, whether it's kept on paper or on a computer system which are structured by reference to individuals.

Records kept on personal files can be processed only if specific conditions are met. These conditions include:

- The data must have been obtained fairly and lawfully,
- The processing is necessary for the performance of a contract with the individual,
- The data must be adequate, relevant and not excessive in relation to the purpose or purposes for which it is kept,
- The data must be accurate and, where necessary, kept up to date,
- The data must not be kept for longer than is absolutely necessary,
- The data must be held in compliance with an employee's rights of access to personal data, must not be processed in a way calculated (or likely) to cause damage or distress to an employee, and must be corrected, erased or destroyed if inaccurate or no longer relevant,

- The data must be protected (by the best available means) against unauthorised access or disclosure and against accidental loss, damage or destruction; and must be treated as confidential by the staff to whom they are entrusted and
- The data must not be transferred to any country or territory outside the European Economic Area (EEA) whose data protection laws or codes are non-existent or less than adequate – unless the employee agrees otherwise or the transfer is necessary for employment purposes (e.g. a proposed transfer or secondment overseas). Where data relating to an employee or a child attending your setting is of a sensitive nature, explicit consent must be obtained from the employee/service user to process the data and hold them on the individual's personal file. Sensitive data consist of information about an individual's, racial or ethnic origin, political opinions, religious or other beliefs, trade union membership (or non-membership), physical or mental health, sex life or sexual orientation; or criminal convictions, proceedings or alleged activities. Where information is held on an individual the accuracy of the information must be confirmed on a regular basis e.g. annually. Every organisation that processes personal data is required to notify the Information Commissioner. You can find out more about your legal obligation at www.ico.gov.uk/

Tenants, Property Owners, Trustees

Where a setting does not own their premises they must ensure they have in place a clear tenancy agreement or license.

If your Early Years Setting owns it's own building, then you should appoint Property Trustees. The property/ custodian trustees are responsible for the safekeeping of the settings premises e.g. payments for building, insurance, repairs and general maintenance etc.

Advice on tenancy agreements/leases may be obtained from the County Office /National Centre.

Essex Early Years and Childcare

Are responsible for the local delivery of the Children and Young Peoples Plan which covers a wide range of issues concerning the care and education of children from 0-19 (up to 25 for those with SEN) years. The plan includes all the local providers meeting the standards set for good quality early education and care. The Pre-school Learning Alliance is an active partner with Essex Early Years and Childcare.

Fundraising

This should always be for a specific target e.g. "a climbing frame and other equipment." If targets exceed amounts raised then "other equipment" may still be purchased.

Groups should not hold excessive funds in reserve unless for a specific purpose e.g. buying, renovating or maintaining a building, redundancy and other liabilities in the event of closure.

Funds must be used for the benefit of the children in the setting and not for staff birthdays, bonuses etc.

Publicity and Information

Prospectus	Community links	Open days/evenings	Social events
Newsletters	Local Press reports	Web site	Accreditation

It is important that you always maintain a high profile in your community and seize all opportunities to promote the good practice in your group for example through:

Photographs should not be reproduced and used without written permission from parents or guardians. The permission should include how and where you will use the image, how it will be stored and how long it will be retained (but no longer than 2 years).

The Committee Officers

Chair

- Is the public face of the elected committee
- Chairs all committee meetings, General Meetings and the Annual General Meeting (AGM).
- Prepares agenda for meetings with the Secretary.
- Ensures that the meeting is quorate (minimum number of persons attending to make decisions) in accordance with the settings constitution, before any votes are taken.
- Ensures all items are discussed, sums up.
- Is familiar with the constitution and where a vote ties, may have a second or casting vote, according to their constitution.
- Signs cheques with the Treasurer (or 3rd signatory) and receives duplicate bank statements.
- Represents the Committee with other agencies.
- Makes each member feel valued and accepted.
- Oversees and usually line manages the person in charge of the day to day running of the setting.
- Actively tries to recruit new committee members before the AGM.

Secretary

Deals with all the setting's official paperwork (except for keeping the setting's accounts). The work includes:

- Receiving correspondence and then bringing it to the Committees attention.
- Replying to correspondence as directed by the Committee.
- Keeping copies of all correspondence.
- In consultation with the Chair, drawing up and circulating an agenda before meetings.
- Ensuring the Committee knows in good time the date, time and venue of meetings.
- Recording the minutes of any meetings.
- Ensures that minutes are 'adopted' at next committee meeting.

Treasurer

The Committee as a whole are responsible for all the financial decisions but the Treasurer is the one who keeps and maintains the records of all the settings financial transactions. For further guidance please see the Treasurers Guide notes in Appendix 1.

Other committee job roles may include:

- Fundraising Officer.
- Staff Liaison Officer.
- Health & Safety Officer.
- Quality Assurance Officer.
- Public Relations Officer.

Running A Committee Meeting

Don't Forget

Before the meeting

- Ensure the venue of the meeting is suitable i.e not in a public place and where confidentiality can be maintained.
- Minutes of last meeting.
- Agenda.
- Gathering of relevant information.

During the meeting

- Check the meeting is quorate (refer to the latest constitution). The quorum for the meeting is clearly stated in the constitution and relates to the minimum number of elected committee members who must be present before any decisions can be taken.
- Adhere to agenda/set time limits.
- Keep interruptions to a minimum.
- Involve everybody in discussions, summarise and vote on any decisions.
- Maintain confidentiality.
- List those who are attending.

This must be recorded

Voting	Non-Voting
Chair	Supervisor
Secretary	Staff (unless a committee member volunteer)
Treasurer and all other elected committee members	e.g. Alliance Development Officer

- Under the Pre-school Learning Alliance 2008 constitution a member of the settings staff can serve on the committee on a voluntary basis and have equal responsibilities and liabilities as any other member on the committee. They can claim expenses but cannot be paid for their time to attend meetings or any other work undertaken as a committee member. Sensitive issues such as wages or disciplinary matters should not be discussed in their presence and should be treated as confidential. When this occurs they must declare an interest and can be asked to leave the meeting whilst these discussions take place. This must be documented.
- Issues concerning non-payment of fees or family problems should be dealt with extreme confidentiality and anonymity.
- Minutes from all meetings can be handwritten or typed. Typed copies can be given to each committee member. Any mistakes should not be removed, but crossed out so that the original wording is still visible.
- Your Pre-school Learning Alliance Development Officer can be invited to meetings to help or advise you.

The agenda for a pre-school committee meeting might look like this:

There will be a meeting of Happy Days Committee on Monday 12th June at 7:00pm to be held in the playroom.

Agenda

1) Welcome
2) Apologies
3) Minutes of meeting held on 21st April
   Sign and number each page with date
4) Matters arising from the minutes:
   a. New climbing frame, feedback from staff
   b. Report from Fundraiser on attempts to obtain raffle prizes.
5) Chairs report
6) Treasurer's report:
   a. Written statement of receipts and payments for the year to date, compared with agreed budget
   b. Report of the latest Accounts Book balance and predicted cashflow forecast
7) Secretary's report on correspondence:
   a. Invite to Branch AGM
   b. Letter from caretaker
8) Setting Leader's report
9) Baby and Toddler representative report (if applicable)
10) Autumn Fayre
11) Date of next meeting (agree venue, date, time)
12) Any other business

This meeting will take approximately 2 hours and we have to be off the premises by 9:30pm at the latest.

Please send your apologies to the secretary, Joe Smith

example

Having delegated tasks in the meeting, it is essential that those responsible are identified and a timescale for response is agreed e.g.

Agenda Item 4. The climbing frame needs replacing. It was agreed that Jane would do the research and present the costings at the next meeting.

Preparing For An AGM

- Check the date of the AGM - be aware of when it is due according to the constitution.
- Accounts to be audited for presentation at the AGM. Allow at least four weeks for this.
- Advertise the AGM giving the appropriate notice as set out in your constitution.
- Nomination forms to be circulated with copies of updated constitution, policies and proposals. Nominees should be given clear guidelines on the roles and responsibilities of being a committee member together with the value of serving on the committee.
- Book venue and speaker. Arrange refreshments.
- Agenda to be set out.
- Officers to prepare reports. Remember to liaise with one another.
- Promote the AGM.
- New Bank Mandate forms - change of signatories to be done at the AGM, if appropriate.

On the Day

Have a signing in book/form to ensure you are quorate (refer to the constitution) and for health and safety reasons. Any person who comes forward to be elected at the time of the AGM must be made fully aware of the roles, responsibilities and liabilities they will be taking on.

AGM Agenda

example

- Welcome from the Chair.
- Introduction.
- Apologies.
- Minutes of last AGM - agreed and then signed.
- Matters arising.
- Adopt latest constitution.
- Review all policies and re-adopt.
- Outgoing Chair's report - activity over the previous year.
- Baby and Toddler representative report (if applicable)
- Outgoing Treasurer's report - accounts presented, questions and answers.
- Settings Leaders report - Staffing, Ofsted, outings, visitors to pre-school, etc.
- Chair to explain election of officers.
- All committee members not seeking re-election stand down and receive thanks.
- Ask for nominations - read those already received.
- Move to vote on election of new committee - either singularly or the committee as a whole.
- Coffee break?
- Guest Speaker (introduced by Chair).
- Thanks from Chair - to speaker and all those attending.

Do not forget to get retiring/new officers to sign the Bank Mandate forms.

- Do make sure that the newly elected committee agrees a date, time and a venue for the next routine meeting.
- Do ensure that the outgoing committee gives a positive handover of information and records to the incoming committee.
- Remember to send Annual Reports, End of Year Accounts and a list of all Committee Members and contact details to the Charity Commissioners and if the setting is Incorporated to Companies House.
- Notify National Pre-school Learning Alliance and the County Office of any change in contact details.
- Complete Ofsted EY2 forms regarding change of management committee, follow Ofsted guidance regarding notification of retiring committee members.
- Complete Criminal Records Bureau (CRB) checks for new committee members. For up to date information on the Independent Safeguarding Authority please visit www.isa-gov.uk
- Notify Essex Early Years and Childcare of any changes in contact details.

NB Any gifts to speakers/outgoing committee members cannot be paid for from setting funds but must be funded by voluntary contributions (e.g. collections from parents specifically for gifts).

Yearly Planning Guide

See Appendix 3 - Committee Operational Calendar

Term 1

After the AGM - Hold your first meeting within the first week or two to retain interest and enthusiasm among all members, particularly those new to the committee.

Your Pre-school Learning Alliance Development Officer could provide input at this meeting on your role and responsibilities.

- Ensure routine committee meetings are held at least half-termly throughout the year.
- **Meeting 1 -** Carry out a review to see exactly what needs to be done. Prepare a budget - plan fundraising events for the year (e.g. Christmas social, annual quiz, bazaar, etc.) Discuss.
- **Meeting 2 -** Review latest Ofsted Inspection Report and local authority quality assessment (RAG judgement) and progress of Action Plan.

Term 2

- **Meeting 3 -** Review budget - adjust where necessary.
- **Meeting 4 -** Set dates for Staff Appraisals, training issues (if applicable).

Term 3

Start preparing for the AGM - Accounts produced and audited, publicity, nominations (see Page 12).

- **Meeting 5 -** Initial planning for AGM.
- **Meeting 6 -** Final planning ahead of AGM.
- **Meeting 7 -** The Annual General Meeting.

NB These are only suggestions which may prompt you in the early days of your new committee.

Incorporation

Incorporation is a means of changing from a charitable group to a company that is limited by guarantee. This will reduce the personal liabilities of the Trustees.

The Pre-school Learning Alliance has produced an information pack to guide settings through the process and is only available to settings who have adopted an Alliance model constitution and are registered with the Charity Commission. “The Complete Guide to Incorporation”.

To use the toolkit you need:

- A Pre-school Playgroup Association or Pre-school Learning Alliance model pre-school constitution.
- To be registered with the Charity Commission.
- To be able to discharge all of your settings current liabilities.

In an incorporated charitable company, the liability of the members is limited and fixed at a set amount (typically £1). Trustees are offered greater protection as the incorporated company is regarded as having its own legal personality, and can enter into contracts and incur liabilities for which it is solely responsible, rather than requiring trustees or members to do this on its behalf.

Advantages of Incorporation

- Limits the liabilities of members.
- Creates a separate legal entity - liabilities belong to the company rather than its officers.
- Comprehensive rules governing the relationship between the members and the executive committee.
- Relatively open reporting requirements which apply to all limited companies.
- Law governing companies is much more comprehensive than laws of associations.

Disadvantages of Incorporation

- The increased reporting requirements imposed on incorporated entities. Every director has a personal responsibility to ensure that certain statutory documents are delivered to the Registrar of Companies as and when required. These include:
  - Annual Accounts and Annual Return.
  - Notice of change of directors, secretaries, their particulars and notice of change of registered office.

The administration involved with these documents can often increase the workload and costs involved with running a charity. There are fines for non-compliance.

- Additional legislation to comply with, but company law being simplified.
- Additional accounting costs, but accounting for small companies getting less overall.
- Administration requires Companies Act procedures to be complied with.
- Responsibility of committee/board as charity trustees unaffected.

For further details please contact your Pre-school Learning Alliance Development Officer or the Essex, Southend and Thurrock Pre-school Learning Alliance at the County Office.

Charitable Incorporated Organisation

A new form of incorporated charity has been brought in by the Charities Act 2006, however due to the complex regulation the date of its commencement is still under review (for up to date information visit www.charity-commission.gov.uk)

CIO’s will have all the benefits which currently come from incorporating as a company but will only be regulated by the Charity Commission, so there will be no need to report separately to Companies House.

Training Opportunities

There are a number of Pre-school Learning Alliance courses designed to meet the needs of all parties associated with Early Years settings. Our courses provide insight into the care and education of children from one hour Family Learning sessions through to certificated vocational courses

All staff should be encouraged to pursue training and keep it up to date. It is good practice to set aside money specifically for a training budget in order that staff can be supported financially. A record of all training should be kept on file.

Other courses are designed more specifically to meet the needs of management committees, for example:

- Behind the Scenes Workshops.
- Health and Safety Workshops.
- Business Planning.

Essex Southend and Thurrock Pre-school Learning Alliance also arrange training and information sessions from time to time according to the needs of member pre-schools in line with the introduction of new legislation, regulations or procedures. You will be contacted through our county mailing system.

Any queries to discuss the content and availability of the Alliance course please contact the East Division training team on 01954 232327.

Additional training opportunities are also available through Essex Early Years and Childcare. For a copy of their current training brochure please contact earlyyears.training@essex.org.uk or 01245 438555

Useful Publications

Pre-school Learning Alliance publications include:

Business management publications:

- Financial Management (2010), the essential guide to financial accounting in your setting (a must for all treasurers).
- Charity Essentials (2011) providing guidance to all early years charities, including charitable companies and unincorporated charities that do not use the Alliance constitution, your handbook on the roles & responsibilities of the committee.
- Effective Marketing & PR (2007), the essential guide making marketing and PR a natural part of your daily routine.
- Policies and Procedures for the Early Years Foundation Stage (2008), the pack contains drafts of many of the major policies required by Ofsted and includes a CD-Rom.
- Recruiting and Managing Employees (2010), is the essential guide for all pre-schools who have paid staff, highlighting required procedures to make sure the setting complies with employment law.
- Managing Risk (2009) in the current environment it is crucial to implement good risk management processes to protect users, assets and reputations within an organisation.
- Accounts books, provide a clear entry system to enable the committee to track the settings financial situation.

Other useful Alliance publications include:

- Accident Record.
- Register and Outings Record.
- Medication Record.
- Child Protection Record.
- All Together Now (2009)
- The Complete Guide to Incorporation.
- Early Adventures- building and supporting Baby and Toddler Groups (2009)

All publications can be ordered from:

- Pre-school Learning Alliance, Order line 0870 603 0062 or www.pre-school.org.uk

For further information about the Alliance publications please visit www.pre-school.org.uk

Questions Most Frequently Asked

Q. Why did I take this on, what can I learn?

A. Skills for the employment market, such as book keeping, administration and management, which will all look good on your CV together with a desire to be involved in the setting.

Q. What is a constitution?

A. The constitution is a legal document and sets out the rules and regulations that the setting must adhere to. You can adopt the Pre-school Learning Alliance model constitution or develop your own. The model constitution has already been approved by the Charity Commission and will therefore be 'fast tracked' through. Any amendments, no matter how small, need to be approved by the Charity Commission and the Pre-school Learning Alliance before it can be adopted.

Q. What if I take over and the accounts are a mess?

A. It is always advisable that as a potential treasurer you review the accounts with the existing treasurer before you agree to take on the job role. If you discover any irregularities please contact your Development Officer who will support you to get helpful advice.

Q. What if the treasurer's systems are questioned e.g. refusal to issue blank cheques or requesting payment instantly?

A. Refuse politely but firmly and explain that the systems are there to protect all within the group from the possible allegations of negligence or misappropriation of funds.

Questions Most Frequently Asked *(continued)*

Q. Who should audit the account books?

A. An independent and competent examiner (not related to any member of the committee or staff) should inspect and sign the financial report. If the settings income is over £100,000, by law a qualified accountant is required. The new thresholds for professional audits for charities in the Charity Act 2006 are explained in full on www.charity-commission.gov.uk. Further advice can be found in the Alliance 'Financial Management' book.

Q. What records should be kept and for how long?

A. All financial records must be kept for 10 years, staff employment details for 7 years. Committee minutes should be retained for the life of the charity. Refer to www.pre-school.org.uk for a full list of the recommended retention periods for records. Store them safely, if in doubt contact your Development Officer.

Q. What information should be given to parents at the AGM by the treasurer?

A. A clear financial report which includes a copy of the receipts and payments account, a statement of assets and an independent examiners report.

Q. What information should be given to the Charity Commission?

A. A copy of the settings audited annual income and expenditure accounts, AGM minutes and a list of the current committee members, copy of the constitution signed and dated.

Q. What liability is there if the setting closes, merges with another, is taken over or takes on a lease?

A. All members of the committee are liable jointly and severally (individually) for all decisions taken over finances and management. Advice can be obtained from your local Development Officer, Alliance membership services or Lawcall. Committee members may wish to restrict their liability by registering the setting as 'a company limited by guarantee registered as a charity', contact your Development Officer for further information.

Q. What should I do if I am unsure of anything?

A. Seek help! either from your Pre-school Learning Alliance Development Officer, the County Office, East Division Centre or National Centre. We are here to help.

Treasurers Guide (Appendix 1)

So you have been elected Treasurer?

This guide aims to assist you (the Treasurer) to manage accounts properly. It is not difficult, and if done properly is very rewarding. But, remember that money is involved, therefore you must protect yourself and keep records of everything you do.

Know how to protect yourself:

- Make sure the accounts are examined before you take over - even if part way through the year. (if you are unhappy with the examination or anything to do with the books, consider asking the Committee to have the books formally audited). Once you have taken over as treasurer, you and the whole committee are responsible for the accounts, and therefore the money they represent.
- Keep absolutely everything, no matter how trivial.
- Get two bank statements, one for you and one for the Committee Chair.
- Have two signatures (treasurer plus one of two other authorised committee members) on each cheque or request to the bank to release funds - employed staff must never sign.
- Make all transactions by cheque, if possible.
- Never use correction fluid in the accounts books (if you do make a mistake cross it out with a single line).
- Never use pencil - the final entry should always be in ink.
- Never remove pages from the accounts book.
- Never give out blank cheques. Make sure that all paperwork is in before paying out monies for anything.
- Get individual receipts for all monies spent & cross reference the receipt with the accounts ledger.
- Give receipts for all monies received.
- Ensure that you obtain signatures/receipts for wages/money paid out.
- Give wage slips (a legal requirement) and pay all wages by cheque or BACS (Bank Automated Clearance System).
- PAYE queries with the Tax Office - get their response in writing.
- Ensure at least two people together count money from fundraising events.
- Bank all cash asap. Each individual payment should be recorded and kept for future reference. Keep as little petty cash as possible.
- Agree the systems used for petty cash and the amount maintained in the system.
- Pay in before you pay out, e.g. don't refund someone their money for buying the coffee for the jumble sale directly from the takings. Bank it first, and then pay it out.
- Write a financial statement for each committee meeting - even if you can not attend.
- Any monies pertaining to a baby and toddler group or crèche facility directly linked to the charity should be monitored by the committee and ring fenced accordingly
- Keep the Chair of the committee informed about the accounts.
- Set the budgets with the whole committee and agree a three year cash flow forecast.

- Ring alarm bells if your setting is over/under spending.
- Keep up to date with information/legislation.
- When preparing annual accounts get the support of another committee member.
- Ensure the annual Charity Commission returns are completed and sent off.
- All financial details/information for a charitable setting, must be kept for 10 years.

Some hints and tips to make the job easier:

- Buy resources such as files, books etc to keep records neat and tidy.
- Do paperwork regularly - don't let it build up.
- Use an accounts book to record everything as you do it/receive it.
- Cross reference paperwork i.e. dates & cheque numbers to invoices, receipts etc.
- Use duplication system for fees.
- Keep a copy/record of all letters etc. sent.
- Set ground rules and don't change them.
- Involve the whole committee - If it becomes too difficult, ask for help. The earlier you ask the fewer the problems that build up.
- Have a proper handover to the next treasurer.

The following systems will make your job more manageable:

- Petty cash - a box with a small amount of money for buying day to day items, use a petty cash book to record this spending and keep all receipts.
- Wages book.
- Filing - all income and expenditure in date order.
- Receipts book (duplicate) - income.
- All invoices/receipts should be dated and subsequently numbered (keep them separate).
- Banking reconciliation - check bank statements against paying book, cheque book and cash book.
- Bank mandate - check regularly and update (yearly) you need three signatories (any two of three on each cheque).
- Fundraising - set yearly budgets.
- Fees receipt book - allows cross referencing.
- Preparing annual accounts for audit/AGM.

It is important that you are able to trace the movement of funds/cash. This traceability is called an 'Audit Trail'. If you employ efficient systems you will have created an audit trail. A system that can be easily examined/audited is the hallmark of a confident, efficient treasurer.

Further advice is available from:

Pre-school Learning Alliance - Membership Services (020 7697 2500)
Lawcall (the telephone number is on your Alliance membership card)
Essex, Southend and Thurrock County Office (01245 438563 or est@pre-school.org.uk)

Essex Early Years & Childcare, Business Support Team

Inland Revenue Offices - tax guide

Benefits Agency

Bank, small business section

Voluntary Services

Remember: when seeking advice always make a note about who you spoke to, what you asked, always get the information in writing, date it and keep it safely in your correspondence file.

Committee Handover Checklist (Appendix 2)

The purpose of this checklist is to inform incoming/outgoing committee members of the information to be made available to new committee members when elected to serve on a committee of a voluntary early year's organisation.

The checklist is divided up in to information for new chair's, treasurer's and secretary's.

Please note: the checklist is not intended to be definitive; it is a list of the information considered most relevant, please add to it as you see fit.

Do not hesitate to contact your local Development Officer if you need help and advice -

Incoming Chair

Have you received or been provided with this information	Reason	Date received	Comments
Handover meeting between outgoing/ incoming chair	Opportunity to discuss the role in detail & for the incoming chair to ask questions & receive information		
Early Years Foundation Stage - welfare requirements e.g. Self Evaluation Form (SEF)	To inform new chair of the standards by which the organisation is measured		
Ofsted Report & associated correspondence	To inform new chair of current status of group & areas for improvement		
Local authority quality assessment judgement (your RAG rating)	To inform new chair of the local authorities assessment of the groups practice and areas for improvement		
Copy of the setting's constitution	To inform new committee members of the legal status of the organisation & their legal responsibilities		
Organisation's policies & procedures	To ensure the organisation has complied with Early Years Foundation Stage		
Ofsted EY2 & 3 form completed	Ofsted requirement as 'Registered Provider' of the setting		
Criminal Record Bureau Check (CRB) completed at an enhanced level	Ofsted requirement as 'Registered Provider' of the setting		
Role of chair clearly defined with list of duties	To inform new chair of the responsibilities of the role		

Have you received or been provided with this information	Reason	Date received	Comments
Committee structure & membership	To inform new committee members of the way in which the organisation is structured, the membership of the committee & any vacancies which need to be filled		
Organisation chart	To inform new chair of the structure of the organisation		
Chair's copies of minutes from previous committee meetings	To provide new chair with a permanent record of discussions, decisions & actions taken by the management committee		
Past Annual reports	To provide new chair with a history of the activities undertaken by the organisation		
Audited accounts (end of year & latest)	To provide the chair with an independent view of the financial health of the organisation		
Copy of setting's Business Plan	To ensure chair is aware of future plans for the setting an any current activities the charity is providing e.g. baby and toddler group		
Dates of future meetings	To inform new committee members of already agreed meeting dates		
Staff personnel files	To provide assurance that the organisation is aware of & has complied with good employment practises		
Staff roles & responsibilities including SenCo, Child Protection, Behaviour, Health & Safety, Equality Named Coordinator (ENCO)	To inform chair of the responsibilities of each staff member		
Staff deployment	To provide the new chair with information on hours/days worked by each staff member		
Ofsted Registration certificate	To provided new chair with evidence that the organisation is registered with the requisite statutory body		

Have you received or been provided with this information	Reason	Date received	Comments
Registered, actual & predicted numbers of children	To enable new chair to compare actual & predicted numbers of children with the maximum number of children the setting is registered for		
Insurance certificate(s)	To provide evidence that the organisation has in place adequate insurance cover for all its activities		
Inventory of Assets	To inform the new chair of the type & value of the organisation's major assets		
Current & previous funding applications	To provide the new chair with information & value of past & future sources of funding		
Current prospectus & curriculum plan	To inform new chair of the range of early years education offered & how it is delivered		
Copy of setting's Mission Statement	To ensure the new chair understands the ethos of the setting		
Operational Plan	To provide the new chair with evidence that the setting has important information filed in one place		
Record of complaints (past & outstanding)	To inform the new chair of past & current contentious issues & to provide a record of action taken or to be taken		
Contact details of external advisors including local Alliance Development Officer, Early Years Foundation Stage Advisor, Area SenCan	To inform new chair of the support network available		
Contact details of outgoing committee members	To enable new committee members to contact out going committee members in an emergency		

Incoming Treasurer

Have you received or been provided with this information	Reason	Date received	Comments
Handover meeting between outgoing/ incoming treasurer	Opportunity to discuss the role in detail & for the incoming treasurer to ask questions & receive information		
Early Years Foundation Stage - welfare requirements	To inform new treasurer of the standards by which the organisation is measured		
Copy of the setting's constitution	To inform new committee members of the legal status of the organisation & their legal responsibilities		
Organisation's policies & procedures	To ensure the organisation has complied with Early Years Foundation Stage		
Ofsted EY2 form completed	Ofsted requirement as 'Registered Provider' of the setting		
Criminal Record Bureau Check (CRB) completed at an enhanced level	Ofsted requirement as 'Registered Provider' of the setting		
Role of treasurer clearly defined with list of duties	To inform new treasurer of the responsibilities of the role		
Copies of Audited Accounts for the past 6 years	To provide evidence of past financial health of the setting & the start/ end dates of the setting's financial year		
Current budget	To provide evidence of financial planning		
Financial reports	To provide evidence that financial performance is being monitored & reported to committee/ staff & of the financial health of the organisation		
Current receipts & payments information	To inform the new treasurer of the system in place to record financial information		
Bank/Building society statements for all accounts	To provide information on the cash balances currently held & the volume of transactions on each account		

Have you received or been provided with this information	Reason	Date received	Comments
Bank reconciliation	To provide evidence the receipts & payments are being reconciled to bank accounts & the actions taken if reconciliation does not balance		
Bank/Building society Mandates changed	To provide evidence of who can sign cheques on behalf of the setting		
Petty Cash reconciliation	To provide evidence that petty cash is being regularly reconciled with receipts & payments ledgers		
Authorisation limits	To inform new treasurer which committee/staff members can authorise payments by value & type (e.g. payroll)		
Fee Policy	To inform new treasurer of the fees charged for each session, when it is payable & action taken if fees are over due		
Financial policies & procedures	To provide evidence of financial control		
Payroll Information	To inform new treasurer of the rates of pay for each type of staff member, who is responsible for calculating pay & when staff are paid		
Copies of Free Early Education Entitlement claim	To inform new treasurer of a major source of income, the value of that income & how & when to submit claim		
Contact details for Free Early Education Entitlement claim	To ensure treasurer can do item above		
Copies of Milk claim form or equivalent	To inform new treasurer of the process of claiming reimbursement of expenditure on milk		
Dates of future meetings	To inform new committee members of already agreed meeting dates		

Incoming Secretary

Have you received or been provided with this information	Reason	Date received	Comments
Handover meeting between outgoing/ incoming secretary	Opportunity to discuss the role in detail & for the incoming secretary to ask questions & receive information		
Early Years Foundation Stage - welfare requirements	To inform new secretary of the standards by which the organisation is measured		
Copy of the settings constitution	To inform new committee members of the legal status of the organisation & their legal responsibilities		
Organisation's policies & procedures	To ensure the organisation has complied with Early Years Foundation Stage		
Ofsted EY2 form completed	Ofsted requirement as 'Registered Provider' of the setting		
Criminal Record Bureau Check (CRB) completed at an enhanced level	Ofsted requirement as 'Registered Provider' of the setting		
Role of secretary clearly defined with list of duties	To inform new secretary of the responsibilities of the role		
Committee structure & membership	To inform new committee members of the way in which the organisation is structured the membership of the committee & any vacancies which need to be filled.		
Contact list of committee members & staff	To enable new secretary to contact current committee & staff members		
Copies of agendas & minutes from previous committee meetings	To provide new secretary with a permanent record of discussions, decisions & actions taken by the management committee		
Past Annual reports	To provide new secretary with a history of the activities undertaken by the organisation		
AGM information (including nomination forms for committee posts)	To inform the new secretary of the date & format of AGM		

Have you received or been provided with this information	Reason	Date received	Comments
Newsletters (past & present)	To inform new secretary of the type & format of information provided to parents		
Correspondence i.e. from parents & external agencies	To inform the new secretary of resolved & outstanding issues		
Dates of future meetings	To inform new committee members of already agreed meeting dates		

Incoming Committee Member

Have you received or been provided with this information	Reason	Date received	Comments
Handover meeting between outgoing /incoming committee	Opportunity to discuss the role in detail & for the incoming committee to ask questions & receive information		
Early Years Foundation Stage - welfare requirements	To inform new committee members of the standards by which the organisation is measured		
Copy of the setting's constitution	To inform new committee members of the legal status of the organisation & their legal responsibilities		
Organisation's policies & procedures	To ensure the organisation has complied with Early Years Foundation Stage		
Ofsted EY2 form completed	Ofsted requirement as 'Registered Provider' of the setting		
Criminal Record Bureau Check (CRB) completed at an enhanced level	Ofsted requirement as 'Registered Provider' of the setting		
Role of new committee member clearly defined with list of duties	To inform new committee members of the responsibilities of the role		
Committee structure & membership	To inform new committee members of the way in which the organisation is structured the membership of the committee & any vacancies which need to be filled		
Dates of future meetings	To inform new committee members of already agreed meeting dates		

Pre-school Committee - Operational Calendar (Appendix 3)

EVENT / ACTIVITY	Target month completed	Date	Person(s) responsible for doing the work
Annual events:			
AGM date set			
Nomination forms distributed			
Accounts audited			
Policies & Procedures reviewed & updated			
Constitution adopted			
Charity Commission Report			
Meeting dates set			
Committee roles identified			
Committee legal responsibilities identified			
Ofsted & CRB forms completed			
Committee contact list distributed			
Committee Induction			
Committee agree to adhere to policies			
Committee agree to adhere to Constitution			
Committee sign confidentiality statement			
Operational Plan updated			
Accreditation Portfolio updated			
Business Plan reviewed			
Risk assessment			

EVENT / ACTIVITY	Target month completed	Date	Person(s) responsible for doing the work
Insurance			
Lease Agreement			
Ofsted Action Plan in place			
Self Evaluation Form (SEF) reviewed			
Local authority quality assessment judgement (your RAG rating) reviewed			
Pre-school Learning Alliance membership Newsletter(s)			
Change of contacts notifications			
Bank mandate details altered			
Bank statements received (x2)			
Bank reconciliation system			
Annual budget			
New staff induction			
New parent induction			
Staff contracts in place			
Grievance & Discipline procedure in place			
Staff Appraisals			
This space has been left for you to list the events/activities specific to your setting:			

Notes

Essex, Southend and Thurrock Pre-school Learning Alliance does not accept responsibility for the mismanagement of the committee by any individual or group using this guide.

The information contained in this guide, is to the best of our knowledge, correct at the time of going to press. ***(revised April 2011)***

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