



Company number: 5055356

Charity Number: 1102887

The Children's Workshop

Report and financial statements

For the period ended 31st August 2021



The Children's Workshop

For the period ended 31st August 2021

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The Children's Workshop Trustees' Annual Report

For the period ended 31st August 2021

Company number	5055356
Charity number	1102887
Registered office and operational address	Environmental Park, Buckhurst Lane, Sevenoaks, TN13 1FE
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Rebecca Rushton (Chair) David Bill (Treasurer) Katalina Bateman (Secretary) Anneen Aucamp Anne Dunphy Joanne Forder Nicola Mackert Kinvara Rogers Hollie Silver Ursula Spindler Luke Stringer
Key management Personnel	Nicola Mackert (Preschool Manager) Melanie Lloyd-Nolan (Finance & HR Officer)

The trustees present their report and the financial statements for the period ended 31st August 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

The Children's Workshop's Purpose and Ethos

The purpose of The Children's Workshop is to enhance the development and education of children primarily under statutory school age. This is achieved by offering appropriate play, education, care facilities and training courses, together with the right of parents to take responsibility for, and to become involved in, the activities of The Children's Workshop. Thereby ensuring opportunities for all children whatever their background race, culture, religion, means or ability. The ethos that guides our work is:

OUR ETHOS

At The Children's Workshop Preschool, we believe all children have an innate desire to learn and explore and that each child is a special individual. At our preschool we work together children, staff, parents, carers and the wider community to ensure ALL children learn and have FUN in a safe, nurturing environment that supports them to develop their individual potential whilst building HAPPY FRIENDSHIPS and MEMORIES.

OUR AIMS

We aim to provide an environment where children can:

Develop a 'can do' attitude –

- We nurture our children's sense of self and belief
- We foster Self-Involvement, Engagement, Motivation, Risk Taking and Assessing
- We motivate exploration, investigation and problem solving

Develop a sense of 'wonder of the world':

- We stimulate our children's interest in their community, the world we live in and their sustainability
- We love to learn outdoors; we have a special focus on forest-style outdoor activities
- We strive to enthuse children with a love for learning

Grow to be 'their very best':

- Developing skills for life such as listening, learning, manners, teamwork
- Developing a strong sense of self as individual within a tolerant community built on respect for others
- Developing resilience, independence, and confidence to move towards each next step in life
- Develop creativity and celebrate and listen to each other's successes and ideas.

Aims and Objectives

The charity's main activities and who it tries to help are described below. Annually, the trustees review the aims, objectives, and activities of the charity. These are set against 3 key areas:

1. ***Children's Learning and Development*** – to provide an exciting, high quality and varied learning programme for all children attending
2. ***Management of Setting*** – to run the setting effectively and efficiently
3. ***Partnership Working*** – to create and sustain positive and mutually-beneficial partnerships with organisations in the community

This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remain focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

2020–2021 Aims and Objectives

Children's Learning and Development:

- To develop planning and activities that utilise all 7 areas of development, focussing on the outdoor ethos of the setting as a start point for planning
- To prioritise the 3 main prime areas of focus – communication and language, physical development, and personal social and emotional development – taking the lead in each activity through child-led interest.
- To fully utilise the Tapestry platform as key method to track every child's progress and continue to develop staff's interpretation and use of EYFS Areas of learning.
- To ensure the wellbeing of staff and children.
- To continue to build on the focus and activities started in line with the United Nations Sustainable Development Goal programme.

Management of the Setting:

- To focus on the continual professional development of each practitioner to achieve their potential
- To review admissions and occupancy model and identify administration efficiencies and systems to track financial planning more effectively
- In line with Management Review (2019), continue to refine Chair and Committee roles and responsibilities to ensure Committee focus on strategy and governance with management being responsible for operational decision-making.
- To leverage all media platforms e.g. website, Facebook, Tapestry both in communication with families and wider understanding of activities as member of community.

Partnership working:

- To re-connect, in light of COVID-19, partnerships developed within the community prior to the pandemic and support these community groups.
- To engage parents further in the contribution of observations of their child to support the ongoing development of their child's communication skills whilst at the setting

Achievements and performance

All its charitable activities focus on providing a quality preschool education for children aged 2–4 and are undertaken to further The Children's Workshop charitable purposes for the benefit of the public. Detailed below are the achievements for the 2020–2021 aims and objectives set against the backdrop of two key factors that impacted delivery.

The academic year began by welcoming the new manager to The Children's Workshop, Nazma Ahmed. A key aim was therefore to ensure that the new Manager was supported through a handover from the previous manager and over the year move forward the aims of the preschool under this leadership. However, due to restrictions from coronavirus, quarantine requirements and budgets, a formal handover for the manager was unable to take place.

Secondly, there was hope that whilst the coronavirus pandemic continued to be a significant factor in the day to day running of the setting, over time restrictions would ease. Relaxing of restrictions would enable the setting to connect further as a whole setting, work closer with parents as well as within the community and would provide each child at the setting a varied and stimulating experience. The increase in

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coronavirus cases during the Autumn Term as well as lockdown for all schools except Early Years in January 2021 however, impacted significantly. Continuous changes to government regulations placed a huge burden and strain on the team who continued to deliver high quality teaching and learning experiences whilst having to adapt practice and routines weekly. The achievements and performance for this year are as a direct result of the team working hard together, within the constraints placed, and a new leadership structure.

Children's Learning and Development:

1. To develop planning and activities that utilise all 7 areas of development, focussing on the outdoor ethos of the setting as a start point for planning.

Whilst the outdoor focus is key to the setting's approach, limits continued to be in place at the preschool due to the requirement to maintain "bubbles" and keep the 2 age-groups – Buds (2–3yrs) and Saplings (3–4yrs) completely separate. This separation then continued through to outdoors and meant that pallet barriers had to be in place to ensure groups were not mixing. This impacted on the outdoor zones that were in place e.g. gardening, construction, mud kitchen meaning only one group would be able to work on a specific outdoor area and use these resources, whilst the other focused on another until the setting was able to wash down and clean all resources in order to swap over. This required careful planning in order that the delivery of activities and the learning objectives were able to be achieved equitably across the setting but in a two-stage process.

Even with "bubble" restrictions in place, many activities were delivered with the staff working together to deliver quality experiences to the children. Using the 7 areas of development, activities were grouped under seasonal themes.

During Autumn, children learnt about the differing shapes of the leaves of the trees in the outdoor area and made fantastic artwork using outdoor natural resources. As the weather became colder, this led to discussions about how to keep warm and to ensure that animals have enough food. The children learnt about animals that hibernate as well as those that are nocturnal and those that are diurnal. Maths was explored as they collected conkers and acorns and looked at how we group together items that are similar and why. Whilst the weather was changeable, the adventure bank encouraged physical activity with the children learning to cross the monkey bars as well as climb through and over the tyres, climb and slide. Developing communication and language was explored in the mud kitchen, when making lots of pies, soups and cups of tea made with wonder by the children. Carving different

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faces on pumpkins provided the opportunity to explore emotional development and the focus on what makes us sad and what makes us happy.

Leading to Winter the children learnt about the 7 continents and through their association that winter means snow and ice, spent time learning about the Antarctic and the animals that live there and how they adapt to the conditions.

As Spring came, the focus moved towards growing and a garden centre was developed as the children wanted to plant seeds and watch the plants grow. Their interest developed wanting to know the different stages of growing, so they explored the lifecycle of a plant, leading to the lifecycle of a caterpillar and then of a chicken – what came first, the chicken or the egg!

Summer was finally met with the opportunity to spend most of the day outside and enjoy learning through the outdoor. The children enjoy the construction area so activities about road signs and their meanings extended over weeks as they used the ride-on vehicles to learn about road safety and adhering to traffic lights and other road signs.

Throughout year the children took part and learnt about different celebrations across the world. They celebrated Christmas, created henna designs for Eid and Ramadan, made lanterns for Diwali and bonnets for Easter. They made poppies and remembered those lost in the war as well as remembering all those we love on Valentines Day. Chinese New Year was celebrated by making a dragon. St George's and St Patrick's days were celebrated too.

Therefore, whilst delivery of the education programme and activities had to be carefully managed, the learning experiences were still able to be varied and follow the interest of the child. For the next academic year, the revised EYFS will be in place and the priority will be to focus on improving outcomes of children set by the Department of Education, as well as reducing paperwork for practitioners enabling them to spend more time with their key children.

II. To prioritise the 3 main prime areas of focus – communication and language, physical development, and personal social and emotional development – taking the lead in each activity through child-led interest.

With all the children and their families managing life with the coronavirus, it was prioritised that the 3 prime areas of focus of the EYFS were to be at the forefront of key activities and programmes developed at the setting. The resilience of the children and their ability to adapt to the ongoing changes continued to encourage

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the team and prompted specific programmes to be developed to assist those children that needed further support.

LANGUAGE GROUPS – with children spending more time at home, it was identified that language groups would provide support to children where English was an additional language, as well as children who needed to further develop their communication skills. Small groups undertaking a bespoke activity, a puzzle, a discussion, or piece of creative work were created over the year to enable a practitioner to work more closely with a small number of children to explore language, which could not always be observed and drawn out in larger group work. This provided a great opportunity to identify the skills that children had mastered and help to demonstrate where further support may be needed. Following on from these groups, the key person for a child would be updated on progress and encouraged to continue to work individually with that child in the setting to develop the skills further. Further work and additional support in partnership with the SENDCo, continued to ensure tracking of progress, leading to targeted plans for a number of children.

BEHAVIOURAL STRATEGIES – with everyone managing lockdown, the team worked on a consistent approach to behaviours expected at preschool. Consistent phrasing, for example “stop, I don’t like it, you are making me sad” and responses to children reinforcing “kind hands, kind words” supported children to explore words that would help them express their feelings. The team took a positive approach to behaviour and recognised and praised positive changes in behaviours with children learning to use words to express feelings rather than just action. The setting had also purchased 2 packs of “emotion cards” that were used in a number of small group sessions and during circle time to explore different facial expressions and the emotions that accompany these. Exploration of emotional language and feelings were to encourage the discussion on how the children were feeling during this time. As Covid continues to remain significant, building on the exploration of feelings and emotions will be important in the year ahead.

PHYSICAL EXERCISE & HEALTHY EATING – eating healthily is encouraged at the preschool and whilst due to the pandemic cookery classes were unable to take place, positive discussions around food that keeps us healthy and where foods originate from, was key. For example, children were interested in coconut having seen this shown on a smoothie label, so discussions about where coconuts come from and how they are harvested prompted further exploration including showing children the outside of a coconut. A parent who is a nurse, came into the setting, in uniform, to explain how we keep our bodies healthy and bones strong. Discussions and

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activities around food were reinforced by physical exercise, whether yoga moves, activity at the adventure bank or dance and movement.

III. To fully utilise the Tapestry platform as key method to track every child's progress and continue to develop staff's interpretation and use of EYFS Areas of learning.

The use of Tapestry continued to be pivotal in connecting families who due to coronavirus were unable to enter the setting nor attend any sessions at the setting to be able to gain an understanding of their child's development at the preschool.

The use of Tapestry for tracking, evaluating and moderating staff's interpretation of the EYFS however requires a significant rethink due to the changes made to the EYFS that come into effect September 2021. It is clear that this electronic system, though user friendly for families and in access for practitioners, does not allow interpretation of the EYFS to be tailored to the individual child, even more so now with the new curriculum and the implementation of the new simplified flag system. Therefore, it is necessary to continue to utilise the Kent tracker to ensure more accurate estimations of children's progress. A review of the use of Tapestry and the tracker system will take place in the next academic year.

IV. To ensure the wellbeing of staff and children.

Whilst most of the country were in and out of lockdown over the academic year, the Government's commitment to keep Early Years settings open, meant that for families who were comfortable to allow their child to return for their regular sessions, children continued to enjoy the structure at the setting. However, strict rules and regulations in place to keep children and their families safe impacted on every child as many activities were restricted for many parts of the year along with the outdoor area. The removal of all visits within the Community and trips to different community groups had been halted at the start and the children missed the interaction with these groups.

Children continued to be supported although most were resilient in the face of all the changes, and restrictions. With parents being unable to come into the setting, children were required to be independent from the outset.

A parent from our Committee of Trustees came into the setting on a regular basis to undertake a music class with the children. The positive impact of music on children is well documented and the children positively responded to each of the classes that looked at many aspects of music, from style, recognising musical signs and notes,

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impactful music and stories set to music. The regular session became a focal point for both staff and children and with another parent joining the sessions to play the cello, children were enthralled at the sound and the notes. The music positively impacted on the children both in behaviours and listening skills.

The well-being of staff with restrictions due to coronavirus and new manager arriving during pandemic, had a significant impact. Continuing to adapt activities and programmes and learning how the new manager wished to lead the setting meant staff were needing more time to prepare sessions whilst also having to consider their own families and their well-being. This was particularly highlighted when schools went back into lockdown and until the Government clarified the position, practitioners were having to find ways for their families to be taken care of, within the restrictions, whilst also having to work. Non-permanent staff were required to be limited, which left other practitioners having to cover when a member of staff was off. The uncertainty of working, and impact of having to isolate at any time in light of a positive covid result, meant huge pressure on practitioners to try to think ahead within a huge area of unknown. Staff were also required and still continue to undertake lateral flow tests bi-weekly. The requirement to undertake the invasive test at such regular intervals placed a strain on all. The responsibility for staff to maintain a sense of normality and engagement for all the children whilst thinking of their own families, impacted on staff and their well-being significantly. Their well-being and support will need to continue to be built up in the next academic year along with recognition of their hard work.

Whilst the impact of coronavirus was far reaching, the SENDCo worked with the practitioners to ensure that targeted plans for children with identified needs continued to be supported. Applications were placed, and approved for EYPP, DAF and SENIF funding, ensuring that children were not missing out on support. However, in many cases funding was unable to be fully utilised as non-permanent staff were unable to attend the setting, with the knock-on effect of a staff member not being released to undertake some one-on-one work with child in receipt of funding. Where resources could be sourced and funded for the setting for the children, these were ordered and the positive impact on each child was tracked and reported demonstrating the importance of this funding.

Children requiring further support were provided with holiday packs made up by the SENDCo. These were resources from the setting that were placed in a bag for a child to continue to use at home. This approach was mainly to encourage the children to share with their parents activities undertaken at preschool. It also provided the opportunity for children to practise and showcase different skills e.g. fine motor

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skills that sometimes hadn't been noticed at home and encourage more language and expression.

Continuing to develop additional ways to partner with families e.g. home packs, and even visits will need to be built upon in the year ahead.

V. To continue to build on the focus and activities started in line with the United Nations Sustainable Development Goal programme

The UN SDG programme has 17 significant goals, the focus this year started to look at the first goal – no poverty. The children explored what it might be like to have nothing and what that looked like. The children asked what they could do to help. They chose to make-shift houses in the outdoor area and made Eco bricks using recycling materials for shelter and discussed the materials required to keep them warm and safe. Goal number 5 – gender equality – was introduced. Gender stereotypes were challenged through the “true” and “false” game where the children discovered that the rules are no different for boys and girls. The children made a list of all the different things “girls are” and also for “boys” and discovered that their lists were very similar. Further exploration of this important goal regarding equality across nations will be developed.

In the next academic year, the children will be exploring sustainable cities and communities and building on the work started this year, together with good health and well-being.

Management of the Setting:

I. To focus on the continual professional development of each practitioner to achieve their potential

With the restrictions of coronavirus still in place, training for staff was mainly limited to online e-learning. Training consisted of using Zoom and Microsoft Teams platforms that worked well, but staff were unable to complete courses requiring practical skills development e.g. Paediatric First Aid Certificate. However, even with restrictions and face-to-face training put on hold, 2 members of staff started their Level 3 practitioner qualification. The trainers set modules to do online and evaluated their submissions through discussions and follow up on Teams. It was required for the Manager to give evaluation feedback as the trainers were not attending the Setting.

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In the year ahead it will be important to return to face-to-face meetings in order for the trainers to observe the practitioners. For the year ahead, using the Government apprentice funding scheme, the aim is for a further 1–2 practitioners to have the opportunity to start their Level 3 training. The Committee of Trustees also approved for a senior practitioner to undertake the Forest School Leadership qualification. This will start in September 2021 and the objective for the year ahead will be to embed this learning within the afternoon outdoor programme.

II. To review admissions and occupancy model and identify administration efficiencies and systems to track financial planning more effectively

Whilst the Finance and HR Officer continued to focus on strong financial planning, coronavirus impacted directly on the administration of funding, income from families and therefore the financial planning of the setting.

The Government agreed to continue to deliver the 15 hours universal funding for all children, as well as Free-for-2 and 30 hours funding, even if parents decided to keep their child home due to the pandemic. Requirements however were placed on the Office Manager to ensure that clear records tracked by emails from parents in addition to the parental declaration documents, demonstrated the sessions that families had booked at the start of the academic year. Only with all the required paperwork would funding be secured. This created a huge administrative responsibility on the setting to ensure that all funding was accounted for and that record keeping such as the register clearly reflected attendance and non-attendance as well as the reasons. In addition, the funding portal in which funding was applied was found to have a weakness in the system, meaning the system did not always register the claim even though it showed the claim had been submitted. This led to emails stating the setting owed significant sums back to the Government, thereby requiring evidence (provided only by taking a screen shot of the submissions at the time) and further paperwork to clarify and receive funding. Whilst waiting for this funding to be approved and subsequently released due to the system glitch, this also held up approval and release of targeted funding for EYPP, SENIF and DAF for identified children at the setting. Not all funding for these children was subsequently able to be used, requiring the SENDCo to liaise with funding teams to identify whether unused funding was required to be returned.

Having to keep fulsome records to ensure continuing Government funding for the setting, meant that further efficiencies were unable to be trialled, but instead further work was required in order to reflect income and expenditure against the preschool's budget plan for the academic year, in addition to record-keeping for funding.

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Impacts to the budget that were highlighted across the year included (i) significant amount of overtime being claimed by staff having to cover for illness and other factors due to the limited number of bank staff that were able to work due to keeping risk of infections at the setting down; (ii) increase both in number of hours for the cleaner as well as the antibacterial products required to keep the setting clean and safe.

From January 2021 when looking at the next academic year, whilst there was a significant wait list of families wishing to start in September 2021, as a direct result of the coronavirus leading to changes in family circumstances and in some cases financial, meant that a significant number of families on the wait list decided to either not take up a place or to delay the start of their child beyond September 2021 to see what would happen across the country. For a number of families, returning to work required additional hours beyond preschool hours being the priority. Being unable to show families around the setting meant that developing the wait list was limited. It has been identified that as a direct result of coronavirus, the start to the next academic year will be impacted and down by almost 30% for the first term. The unpredictability due to coronavirus demonstrated that working on a 2-year planning and budget cycle is prudent for the setting moving forward.

III. In line with Management Review (2019), continue to refine Chair and Committee roles and responsibilities to ensure Committee focus on strategy and governance with management being responsible for operational decision-making.

With the new Manager and the Office Manager working closely together, the Chair was able to step back from engaging in more operational decision making and focus on governance and leadership of the Committee of Trustees. It was identified by Ofsted that a Deputy Manager is recommended and so the Office Manager was asked to take up this position. With the Manager and Deputy working closely together, it enabled the Chair to further step back to give more overarching support to the setting. However, during the year it became obvious that the staff team needed to be able to provide feedback directly to the Committee of Trustees and know that their input was valued. The Chair provided direct access through the 360-appraisal process, and it was recognised that staff need an identified member of the Committee to take concerns and other matters directly to the Committee of Trustees on their behalf, in addition to the Manager. Moving forward in the next academic year, identifying specific roles for the Committee of trustees including links for staff is a priority.

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- IV. *To leverage all media platforms e.g. website, Facebook, Tapestry both in communication with families and wider understanding of activities as member of community .*

With access to the setting limited, the role of Tapestry and Facebook became even more important communications tools for the setting. These platforms were key to sharing with families the activities children had been undertaking as well as key themes that were being developed over the year.

Unfortunately, whilst the website is a significant draw to showcasing the setting, the platform was not used more proactively with the exception of ensuring all covid secure policies and updates were in line with current regulation.

The year ahead will require the training of a practitioner to enable the website to be regularly updated providing current thinking and ways for parents to engage further with the EYFS.

Partnership working:

- V. *To re-connect, in light of COVID-19, partnerships developed within the community prior to the pandemic and support these community groups.*

Unfortunately, due to ongoing coronavirus restrictions, partnerships with the Leisure Centre, the Library and at the Market were unable to be restarted. A return to these partners will be a focus in the next academic year, where possible in light of any ongoing restrictions.

- II. *To engage parents further in the contribution of observations of their child to support the ongoing development of their child's communication skills whilst at the setting.*

The use of Tapestry as a communication tool between parents and key person practitioner became vital as parents were unable to enter the setting and all conversations and parent consultations were conducted on the telephone or Zoom. Being able to showcase activities being undertaken at the preschool enabled parents to be able to share any extended learning from home. However, this partnership is only enabled when parents contributed to the system. During lockdown with many families working at home, it was found that input from families was impacted and therefore contributions from many were minimal. Through a review of Tapestry,

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assessment and tracking, finding a suitable way to engage parents further in their child's development will be an important element.

In July 2021, as the new manager was completing their probationary year, following a discussion with the Committee of Trustees, the contract was not renewed, and the manager left the setting. The Deputy Manager (also Office Manager) was asked to step up and manage the setting from September 2021. The Deputy Manager agreed once staff members had been approached and agreed with the understanding that a full review process concerning performance was in place. Nicky Mackert started as Manager from September 2021.

Beneficiaries of our services

The key beneficiaries of our services are children aged 2–4 (rising five) who are part of The Children's Workshop with their parents and carers. The children who attend the setting are from diverse backgrounds and inclusion is at the heart of the pre-school's approach. Amongst the children in our care are children from challenging homes, children from families whose first language is not English and children with special educational needs. This year we have had 56 children on our register who attend different sessions over the week. Following on from last year we continue to allow up to a maximum of 36 children per session. Of these 56 children 8 have English as an additional language and 2 are in receipt of extra funding (SENIF) for learning support.

The children's progress is monitored throughout the year using the Kent Progress Tracker system and evidence from this shows that this year, all children have made average or above average progress. Children who display more specific needs are monitored using a personalised targeted plan and parents and the setting work closely together to support the child to progress. Building on last year's success with the younger cohort of children, a focus on a topic titled "all about me" to contribute to the settling-in process was used and again, parents were supported to potty train their children and encourage them to put on their own shoes and coats. The tracker has shown this year that the children with Special Educational Needs (SEN) and with English as an additional language have made good progress. Children attending The Children's Workshop display an eagerness to learn through the activities on offer, and happiness and confidence in communicating with others both familiar and unfamiliar.

Financial review

For the year ending 31 August 2021, The Children's Workshop made a profit of £12,117, a decrease of £12,975 from the profit of £25,092 from 31 August

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2020. It should be noted that the August 2020 figures included Coronavirus support grants totalling £19,833.

The total income for the year ending 31 August 2021 was £169,654, an overall decrease of £27,839 from £197,493 in August 2020. This decrease is due to lower occupancy figures as a result of the Coronavirus pandemic, the loss of the quality supplement we received due to the previous manager having Early Years Teacher (EYT) qualifications (as per the Kent Provider Agreement) and no additional Coronavirus grants from the government for example the Coronavirus Job Retention Scheme (£9,833 in 2019/20) and the Discretionary Business Grant from Sevenoaks District Council (£10,000 in 2019/20).

The Children's Workshop's total expenditure for the year ending 31 August 2021 was £157,537, an overall decrease of £14,864 from £172,401 in August 2020.

Staff costs were reduced in line with lower occupancy levels. Staffing expenditure accounted for £126,499 of the expenditure to 31 August 2021 (£135,105 for year ending 31 August 2020), a reduction of £8,606.

The net asset balance is £230,651 as at 31 August 2021, up from £218,534 at 31 August 2020.

In order to purchase our building, we obtained a loan from the Charity Bank which is repayable over 7 years. We currently have 2 years remaining on the loan (end date 12/08/2023) with an estimated balance of £20,431 as at August 2021.

Our current financial position and our current cash at bank of £112,470 (significantly up from £88,162 in August 2020) gives assurance that ongoing activities can repay the loan and continue as a going concern.

Principal risks and uncertainties

The Children's Workshop's ownership of a building forms the basis of most of the financial risks undertaken by The Children's Workshop. Principal risks and uncertainties have been identified as follows:

- Ongoing COVID-19 impact – on business and numbers attending
- Paying back the loan to the Charity Bank is contingent on filling spaces and adequate income.

- Introduction of further Government initiatives which may not provide level of income per child to maintain the current service e.g. totally free places.

Reserves policy and going concern

The Children's Workshop policy is to have three months running costs which we keep as a general fund. Due to prudent budgeting, general reserves are now £112,470 which means that The Children's Workshop has built up specific reserves to cover three months running costs. The aim is to continue to maintain this three-month reserve fund over the next financial year.

Plans for the future

For the development of a more strategic approach for the sustainability and growth of The Children's Workshop, the following aims all work towards this overall goal:

Aims for 2021–2022

Children's Learning and Development – *to provide an exciting, high quality and varied teaching programme for all children attending.*

This year our focus will be aimed towards:

- ❖ **Educational programme** – To utilise and embed the revised Early Years Foundation Stage (EYFS) Framework to undertake varied, challenging, and enjoyable learning experiences for each child at the setting.
- ❖ **Assessment and Measurement** – To undertake a review of methods and resources for accurate tracking of each child's progress and to identify any further areas of support required.
- ❖ **Outdoor Programme/Forest School** – To drive the outdoor focus of the Preschool and embed within the afternoon teaching programme.
- ❖ **Planning** – To streamline the planning approach ensuring practitioners remain focussed on children but Early Learning Goals and aims are clear and consistent across the setting.
- ❖ **Safeguarding and Welfare** – To promote good health and well-being for each child at the setting.

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Management of the Setting – *to run the setting effectively and efficiently.*

This year our focus will be aimed towards:

- ❖ **Management of Setting** – To support new Manager to develop setting
- ❖ **Staff Well-Being** – To focus on support and building up of staff team in light of pandemic and changes at the setting
- ❖ **Staff Development** – To develop clear succession planning for all key roles and enable all staff equal opportunity to develop their potential.
- ❖ **Financial Responsibility** – To explore opportunities to drive optimal occupancy model and ensure ongoing financial viability of the preschool following the financial impact of Coronavirus.
- ❖ **Committee and staff partnership** – To build on progress of roles and responsibilities of Committee and their governance with focus on support of staff.

Partnership working – *to create and sustain positive and mutually beneficial partnerships with organisations in the community.*

This year our focus will be aimed towards:

- ❖ **Local Community** – To re-connect, in light of Coronavirus, partnerships developed within the community prior to the pandemic e.g. schools.
- ❖ **Family Engagement** – To identify opportunities to engage parents further in the contribution of observations of their child to support the ongoing development of their child.

Structure, governance and management

The Children's Workshop is a charitable company limited by guarantee and governed by a committee principally comprised of parents of children at the Children's Workshop who are elected at the AGM. The committee meets at least four times a year as a full committee and in between as necessary as sub-committees (finance and fundraising). Named roles include the Chair, Secretary and Treasurer. The committee also comprises of a member appointed by Lady Boswell's School and the preschool manager.

Following election at the AGM, Ofsted is notified immediately of each new Trustee, they are then DBS checked and formally registered with Ofsted. There is then an induction programme which introduces the work of the Charity, its employees and volunteers. This provides trustees with an understanding of the rules outlined in its governing document, its financial situation, how the preschool operates and the roles

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of all those who work and volunteer within the charity. Trustees must sign a code of conduct, confidentiality document and agree to a conflict of interest policy.

Public benefit

The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'. That guidance addresses the need for all charities' aims to be, demonstrably, for the public benefit.

Trustees

The Trustees are also Directors for the purposes of company law. The Trustees who served during the year and up to the date of this report were as follows:

<u>Committee members who resigned during the financial period.</u>	<u>Date of resignation</u>
Richard White	May 2020
Nazma Ahmed	August 2021

<u>Current committee members</u>	<u>Date of appointment, election or re-election</u>
Rebecca Rushton (Chair)	December 2020
David Bill (Treasurer)	December 2020
Katalina Bateman (Secretary)	December 2020
Anneen Aucamp	December 2020
Anne Dunphy	December 2020
Joanne Forder	December 2020
Nicola Mackert	July 2021
Kinvara Rogers	December 2020
Hollie Silver	December 2020
Ursula Spindler	December 2020
Luke Stringer	December 2020

The organisation is a charitable company limited by guarantee, incorporated on 25th February 2004 and registered as a charity on 26th March 2004.

The Children's Workshop Trustees' Annual Report

For the period ended 31st August 2021

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

Trustees give their time voluntarily and receive no benefits from the charity for their work as trustees. Nazma Ahmed has been employed by the preschool in this period for operational work. Nazma Ahmed's contract at The Children's Workshop following a year-long probationary period was agreed not to be renewed. The Committee of Trustees proposed and agreed to offer the position of Preschool Manager to Nicola Mackert. Nicola was formally offered the post of Preschool Manager by the Chair and Committee of Trustees and accepted the position. As Nicola Mackert was the Office Manager of the setting, recruitment of a replacement for this position is underway.

Volunteers

Our volunteers contribute in many important ways to The Children's Workshop's success and achievements. Volunteers include our Trustees and a variety of students on placement at the Children's Workshop.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of The Children's Workshop for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements

The Children's Workshop Trustees' Annual Report

For the period ended 31st August 2021

- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant financial information of which the charitable company's independent examiner is unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant financial information and to establish that the independent examiner is aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31st August 2021 was 54 (2020: 56). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

The trustees' annual report has been approved by the trustees on 3 November 2021 and signed on their behalf by:



Rebecca Rushton
Chair of Committee of Trustees



David Bill
Treasurer

Independent Examiners Report

To the trustees of The Children's Workshop

Independent Examiner's Report to the Trustees of The Children's Workshop Financial Year Ended 31 August 2021

I report on the accounts of the Registered Charity, number 1102887 and Company Limited by Guarantee, company number 5055356, for the period from 1 September 2020 to 31 August 2021, which are set out on the following pages.

Basis of Independent Examiner's Report

My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items disclosed in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an audit opinion on the view of the accounts.

Independent Examiner's Statement

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
 - to keep accounting records in accordance with section 41 of the Charities Act 1993 (the Act); and
 - to prepare accounts which accord with the accounting records and to comply with accounting requirements of the Act have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Signed



Name

G.K. BENSTED FCCA

Address

19 MCGROOVLANDS SEAL SEVENOAKS KENT TN15 0D17

Date

4/11/21

The Children's Workshop

Statement of financial activities (incorporating an income and expenditure account)

For the period 1 September 2020 to 31 August 2021

		Year to 31/08/2021			Year to 31/08/2020		
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Donations and legacies	2	3,774	658	4,432	15,208	12,642	27,850
Charitable activities	3	162,624	2,593	165,217	169,320	300	169,620
Investment income	4	5	-	5	23	-	23
Total income		166,403	3,251	169,654	184,551	12,942	197,493
Expenditure on:							
Raising funds	5	521	-	521	-	-	-
Charitable activities Pre-school	5	153,765	3,251	157,016	159,459	12,942	172,401
Total expenditure		154,286	3,251	157,537	159,459	12,942	172,401
Net income / (expenditure) before net gains / (losses) on investments		12,117	-	12,117	25,092	-	25,092
Net gains / (losses) on investments		-	-	-	-	-	-
Net income / (expenditure) for the year	15	12,117	-	12,117	25,092	-	25,092
Transfers between funds		-	-	-	-	-	-
Net income / (expenditure) before other recognised gains and losses		12,117	-	12,117	25,092	-	25,092
Gains / (losses) on revaluation of fixed		-	-	-	-	-	-
Other gains / (losses)		-	-	-	-	-	-
Net movement in funds		12,117	-	12,117	25,092	-	25,092
Reconciliation of funds:							
Total funds brought forward		217,984	550	218,534	192,892	550	193,442
Total funds carried forward		230,101	550	230,651	217,984	550	218,534

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

The Children's Workshop

Balance sheet

As at 31 August 2021

	Note	31/08/2021 £	31/08/2020 £
Fixed assets:			
Tangible assets	8	154,736	164,749
		154,736	164,749
Current assets:			
Debtors	9	-	-
Balance at Bank		112,470	88,162
Cash in hand		-	-
		112,470	88,162
Liabilities:			
Creditors: amounts falling due within one year	10	25,963	13,947
		86,507	74,215
Net current assets / (liabilities)			
		241,243	238,965
Total assets less current liabilities			
Creditors: amounts falling due after one year	12	10,593	20,431
		230,651	218,534
Net assets excluding pension asset / (liability)			
Defined benefit pension scheme asset / (liability)		-	-
		230,651	218,534
Total net assets / (liabilities)			
		230,651	218,534
Funds:	14		
Restricted income funds		550	550
Unrestricted income funds:			
Designated funds		134,305	135,189
Revaluation reserve		-	-
Pension reserve		-	-
General funds		95,796	82,795
Non-charitable trading funds		-	-
		230,101	217,984
Total funds		230,651	218,534

For the year ending 31 August 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 3 November 2021 and signed on their behalf by



Rebecca Rushton
Chair



David Bill
Treasurer

The Children's Workshop

Consolidated statement of cash flows

For the period 1 September 2020 to 31 August 2021

	Note	Year to 31/08/2021		Year to 31/08/2020	
		£	£	£	£
Cash flows from operating activities					
Net cash provided by/ (used in) operating activities	15		33,960		14,652
Cash flows from investing activities:					
Dividends, interest and rents from investments		-		-	
Proceeds from the sale of fixed assets		-		-	
Purchase of fixed assets		(522)		-	
Proceeds from sale of investments		-		-	
Purchase of investments		-		-	
Net cash provided by / (used in) investing activities			(522)		-
Cash flows from financing activities:					
Repayments of borrowing		(9,130)		(8,465)	
Cash inflows from new borrowing		-		-	
Receipt of endowment		-		-	
Net cash provided by / (used in) financing activities			(9,130)		(8,465)
Change in cash and cash equivalents in the year			24,308		6,187
Cash and cash equivalents at the beginning of the year			88,162		81,975
Change in cash and cash equivalents due to exchange rate movements			-		-
Cash and cash equivalents at the end of the year			112,470		88,162

Notes to the financial statements

For the period 1 September 2020 to 31 August 2021

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared 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) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 6th April 2014. No restatement of comparative items was required.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) 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 bank.

The Children's Workshop

Notes to the financial statements

For the period 1 September 2020 to 31 August 2021

1 Accounting policies (continued)

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of running the preschool and its associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity.

However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- | | |
|--------------------|-----|
| ● Pre-school | 68% |
| ● Support costs | 16% |
| ● Governance costs | 16% |

k) Tangible fixed assets

Tangible fixed assets are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. The Tangible Fixed Asset on the Balance Sheet represents the new preschool building and computer equipment.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life, once the fixed asset has been brought into use. The depreciation rates applied are as follows:

- | | |
|-------------------------|----------|
| ● Modular Building | 20 years |
| ● Computers & equipment | 3 years |

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Prepayments are valued at the amount prepaid net of any trade discounts due.

m) Cash at bank and in hand

Cash at bank and cash 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. Cash balances exclude any funds held on behalf of service users.

n) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The Children's Workshop

Notes to the financial statements

For the period 1 September 2020 to 31 August 2021

2 Income from donations and legacies

	Unrestricted £	Restricted £	Year to 31/08/2021 Total £	Year to 31/08/2020 Total £
Donations	2,485	–	2,485	3,434
Grants	–	658	658	22,642
Fundraising events	1,289	–	1,289	1,774
	3,774	658	4,432	27,850

3 Income from charitable activities

	Unrestricted £	Restricted £	Year to 31/08/2021 Total £	Year to 31/08/2020 Total £
Pre-School Fees	63,549	–	63,549	71,220
Government contributions to fees	98,476	2,593	101,069	97,058
Contribution to school trips, uniform etc	600	–	600	1,343
Total income from charitable activities	162,624	2,593	165,217	169,620

4 Income from investments

	Unrestricted £	Restricted £	Year to 31/08/2021 Total £	Year to 31/08/2020 Total £
Bank Interest	5	–	5	23
	5	–	5	23

The Children's Workshop

Notes to the financial statements

For the period 1 September 2020 to 31 August 2021

5 Analysis of expenditure

	Cost of raising funds £	Charitable expenditure: Pre-school £	Governance costs £	Support costs £	Year to 31/08/2021 £	Year to 31/08/2020 £
Staff costs (Note 6)	-	93,764	9,027	23,708	126,499	135,105
Equipment	-	2,119	-	-	2,119	1,976
Pre-school Supplies (incl snack)	-	1,324	-	-	1,324	1,247
School activities	-	306	-	-	306	703
Recruitment	-	-	-	-	-	805
Rent	-	-	-	-	-	-
Ground Rent	-	2,600	-	-	2,600	4,100
Utilities	-	1,406	-	-	1,406	1,895
Maintenance costs	-	1,962	-	-	1,962	2,721
Cleaning costs	-	1,650	-	-	1,650	1,408
Other premises costs	-	650	-	-	650	854
Business Rates	-	57	-	-	57	335
Insurance	-	1,927	-	-	1,927	1,930
Professional costs	-	568	106	-	674	456
T-shirts and book bags	-	623	-	-	623	2,063
Training costs	-	564	-	-	564	1,504
Fundraising costs	521	-	-	-	521	-
Office supplies	-	766	-	-	766	888
Depreciation	-	10,535	-	-	10,535	10,539
Phone	-	1,123	-	-	1,123	1,079
Other administration costs	-	122	-	-	122	-
Bank charges	-	89	-	-	89	121
Loan financing – interest	-	1,910	-	-	1,910	2,573
Event costs	-	-	-	-	-	-
Transportation costs	-	112	-	-	112	98
Other	-	-	-	-	-	-
	521	124,175	9,133	23,708	157,537	172,401
Support costs	-	23,708		(23,708)	-	-
Governance costs	-	9,133	(9,133)		-	-
Total expenditure 2021	521	157,016	-	-	157,537	172,401
Total expenditure 2020	-	172,401	-	-	172,401	

Of the total expenditure, £154,286 was unrestricted (2020: £159,459) and £3,251 was restricted (2020: £12,942).

The Children's Workshop

Notes to the financial statements

For the period 1 September 2020 to 31 August 2021

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	Year to 31/08/2021	Year to 31/08/2020
	£	£
Salaries and wages	117,834	126,481
Redundancy and termination costs	–	–
Social security costs	4,377	4,976
Pension contributions	4,288	3,649
	126,499	135,105

No employee earned more than £60,000 during the year (2020: £ nil).

The charity trustees were not paid or received any other benefits for their duties as a trustee in the year (2020: £ nil). One trustee was employed by the charity during the year. Nazma Ahmed was paid under a contract of employment £25,832 as the preschool manager.

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	Year to 31/08/2021	Year to 31/08/2020
	No.	No.
Raising funds	–	–
Pre-school	9.7	9.6
Support	1.8	1.8
Governance	0.6	0.6
	12.0	11.9

8 Tangible fixed assets

	Pre-school building £	Fixtures and fittings £	Computers & equipment £	Total £
Cost				
At the start of the year	203,217	–	2,816	206,033
Additions in year	–	–	522	522
At the end of the year	203,217	–	3,338	206,555
Depreciation				
At the start of the year	39,013	–	2,271	41,284
Charge for the year	9,961	–	575	10,535
At the end of the year	48,974	–	2,845	51,819
Net book value				
At the end of the year	154,243	–	493	154,736
At the start of the year	164,204	–	546	164,749

All of the above assets are used for charitable purposes.

The Children's Workshop

Notes to the financial statements

For the period 1 September 2020 to 31 August 2021

9 Debtors

	2021 £	2020 £
Trade debtors	-	-
Prepayments	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Creditors (loans due within 1 year)	9,838	9,130
Accruals	4,000	2,917
Deferred income	12,124	1,900
	<u>25,963</u>	<u>13,947</u>
	<u>25,963</u>	<u>13,947</u>

11 Deferred income

	2021 £	2020 £
Balance at the beginning of the year	1,900	21,296
Amount released to income in the year	(1,900)	(21,296)
Amount deferred in the year	12,124	1,900
	<u>12,124</u>	<u>1,900</u>
Balance at the end of the year	<u>12,124</u>	<u>1,900</u>

12 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans	10,593	20,431
Amounts due under finance leases	-	-
	<u>10,593</u>	<u>20,431</u>
	<u>10,593</u>	<u>20,431</u>

Bank loans totalling £20,431 (2020: £29,561) are secured against the preschool building.

13 Analysis of group net assets between funds

	General unrestricted £	Designated funds £	Restricted funds £	Total funds £
Tangible fixed assets	-	154,736	-	154,736
Net current assets	95,796	(9,838)	550	86,507
Long term liabilities	-	(10,593)	-	(10,593)
	<u>95,796</u>	<u>134,305</u>	<u>550</u>	<u>230,651</u>
Net assets at the end of the year	<u>95,796</u>	<u>134,305</u>	<u>550</u>	<u>230,651</u>

The Children's Workshop

Notes to the financial statements

For the period 1 September 2020 to 31 August 2021

14 Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
Funding for specific pre-school activities	550	3,251	(3,251)	-	550
Total restricted funds	550	3,251	(3,251)	-	550
Unrestricted funds:					
<i>Designated funds:</i>					
New pre-school building	135,189	-	-	(884)	134,305
Total designated funds	135,189	-	-	(884)	134,305
General funds	82,795	166,403	(154,286)	884	95,796
Total unrestricted funds	217,984	166,403	(154,286)	-	230,101
Total funds	218,534	169,654	(157,537)	-	230,651

Purposes of restricted funds

Restricted funds have been received towards funding for specific pre-school activities.

Purposes of designated funds

New pre-school building

Funds raised over many years were designated by the Trustees to construct a new purpose-built pre-school building which is now completed. The designated fund now represents the net book value of the charity's fixed assets less the amount owed on the bank loan.

15 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	Year to 31/08/2021 £	Year to 31/08/2020 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	12,117	25,092
Depreciation charges	10,535	10,539
(Increase)/decrease in debtors	-	-
Increase/(decrease) in creditors	11,307	(20,979)
Net cash provided by / (used in) operating activities	33,960	14,652

16 Analysis of cash and cash equivalents

	At 1 September 2020 £	Cash flows £	Other changes £	At 31 August 2021 £
Cash in hand	-	-	-	-
Cash at Bank	88,162	24,308	-	112,470
Overdraft facility repayable on demand	-	-	-	-
Total cash and cash equivalents	88,162	24,308	-	112,470

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.