



Company number: 5055356

Charity Number: 1102887

The Children's Workshop

Report and financial statements

For the period ended 31st August 2022



The Children's Workshop

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The Children's Workshop Trustees' Annual Report

For the period ended 31st August 2022

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: Ursula Spindler (Chair) Rebecca Rushton (Treasurer) Katalina Bateman (Secretary) Dr Anneen Aucamp Gillian Bragg Kristina Brockington Catherine Burgess Claire Charlton Claire Icel Nicola Mackert Kinvara Rogers Dr Jocelyn Walbridge
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 2022.

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.

2021–2022 Aims and Objectives

Children's Learning and Development:

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.

- I. **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.
- II. **Outdoor Programme/Forest School** – To drive the outdoor focus of the Preschool and embed within the afternoon teaching programme.
- III. **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.
- IV. **Safeguarding and Welfare** – To promote good health and well-being for each child at the setting.

Management of the Setting:

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

- I. **Local Community** – To re-connect, in light of Coronavirus, partnerships developed within the community prior to the pandemic e.g., schools.
- II. **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.

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 in this report are the achievements and performance of the organisation against the 2021–2022 aims and objectives that had been set as the country was still operating within continued restrictions of the coronavirus pandemic.

The impact the pandemic has had on the Early Years sector has been significant and well documented, with Ofsted publishing briefings on the continued effects of the pandemic and education recovery in early years (latest Summer 2022). For The Children's Workshop, the changing circumstances of families and their ability to fund childcare, as well as caution to commit to investing in sessions at a preschool which during the pandemic it had not been possible to visit, meant this academic year started against a backdrop of lower occupancy and uncertainty within the sector.

The achievements recorded therefore are even more significant set against these challenges. However, the Manager and practitioners committed to work hard to support every child at the setting and provide a variety of learning experience using the revised Early Years curriculum.

Children's Learning and Development:

- 1. 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.*

The new academic year heralded a revised Early Years Foundation Stage (EYFS) Framework to embrace. The changes made by the Department of Education had been made to both improve outcomes by age 5, particularly early language and literacy, and to reduce the workload such as unnecessary paperwork, so that practitioners could prioritise and focus more on children in their care (Ofsted Guidance, September 2021).

Implementing this revised EYFS was achieved by creating a termly theme across the setting from which cascaded through to a weekly focus. It provided a structure for planning and delivery of the curriculum but remained flexible enough for this to adapt and evolve based on responding to child-led interest and learning. The themes for the terms underpinned the activities supporting the EYFS curriculum. Daily workshops were planned which provided a focus of activity around the 7 areas of learning from the revised curriculum. The different workshops created were literacy, science, physical activity and nutrition (PAN), cookery and music and these took place during the morning sessions throughout the week. The themes and activities extended through to the afternoon sessions, which were dedicated to a Forest School inspired outdoor learning programme.

Implementing the curriculum in a rich, varied and engaging way is an inclusive practice and one of the termly themes focussed on “our world” and provided an opportunity to learn more about countries that the children at the setting were from. The children were able to learn where these countries are on a map as well as the foods, language and a little of the culture of the people. The children particularly loved learning the “Continent Song” and were able to identify the different continents that make up a map of the world and in which the countries they learnt about formed part. It also provided the setting with the opportunity to learn about key cultural festivals celebrated across the world such as Diwali, Africa Day, Chinese New Year, Christmas, Easter, Ramadan and Jewish New Year.

The revised EYFS placed increased priority on physical development and healthy eating and included learning about oral health as part of the health and well-being of the child. At the start of the year, a practitioner was identified as the Physical and Nutrition Coordinator (PANCo) who planned activities to deliver this area of the curriculum. With the benefit of a large outdoor space, many of the children already

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enjoyed lots of movement and exercise, however the activities developed were focussed on specific physical development areas. For example, coordination which saw children engaged in an assault course, to muscle development using a peanut ball and yoga, to energetic music and movement sessions to get the heart pumping faster. In partnership with physical development, the PAN workshops also encouraged conversation and learning around healthy eating. Conversations were started by using the NHS Healthy Eating Wheel that explores a variety of foods to include in our diet. The children were encouraged to discuss what was seen as healthy versus unhealthy and review the foods they eat. The children were taught about the traffic light system on food packets to identify salt and fat content and those foods with lots of sugar that are bad for your teeth.

Extending learning around oral health, the children undertook activities using a toothbrush and teeth moulds to demonstrate how they brush their teeth and how they *should* brush their teeth. The impact of these conversations with the children was shown through the variety of fruit and vegetables the children ate and the change in the content of lunchboxes over the year. The excitement of children sharing when they had tried something new e.g., asparagus demonstrated huge achievements made by these children and all conversations were encouraged.

To further extend the healthy eating approach, the lead practitioner who developed the cookery workshops built on this theme with the children learning to make a variety of healthy dishes, which were shown to parents and taken home to eat. The workshops introduced healthy foods by starting with fruit kebabs and fruit smoothies. Building on this, the children then learnt about healthy foods to cook e.g., soup, bread, porridge. They explored different ingredients, weighing ingredients, mixing and rolling and then preparing the mixture for the oven. The cookery workshops also provided an opportunity for rich language and discussion about foods as well as a very sensory activity when children were given the opportunity to roll out mixtures and handle ingredients.

A priority at the setting is literacy, and using funding received were able to purchase story sacks and books to engage children in storytelling, giving the children the opportunity to listen to stories and provide their input through what they see and how they wish a story to develop. A literacy workshop was created with Rosie a grandmother with over 40 years of teaching experience, who attended once a week to lead "Rhymes with Rosie". Using several props, Rosie led nursery rhymes and songs with the children who learned both traditional and new rhymes which encouraged language development among the children. Numerous requests for certain rhymes were made and sung weekly. Long after each session had finished, the children were observed still singing and humming. Parents fed back that they heard their children

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singing different rhymes and requested details of the songs following the sessions to learn them and enjoy a shared experience at home. Following this feedback, a list of the rhymes sung in each session were shared with parents in the newsletter. Poetry Day created another opportunity to explore words and language. Spending the day enjoying rhyme also provided a springboard for poetry to be shared throughout the year. The children particularly enjoyed the poem "On the Ning Nang Nong..." by Spike Milligan.

Another workshop that created rich language and a sense of wonder and awe were the science experiments the children were part of. Creating a hovercraft, exploring water going upwards, dancing raisins, erupting oranges, colour changing flowers, week after week the children engaged and were in awe and excitement of science. Conversations to explain what was happening used rich descriptive language and generated a sense of wonder in learning. Further science and maths activities are planned for the year ahead, to continue to engage and inspire children within these areas of education.

The final morning workshop was focussed on music. One week the children were played different styles of music and having put their bare feet in paint, were encouraged to walk across large sheets of paper in a way inspired by the music. Beautiful works of "feet art" were created to classical, hip hop and dance and the children shared what the music had inspired in their paint walk. Other weeks, the practitioner leading the sessions brought in different musical instruments piano (keyboard), violin, guitar, flute and the children learnt about to get notes out from the instrument and play it. There was also science involved in learning about vibration of strings and air movement. As part of the workshop, they were also shown a short video of young person playing the instrument and know that we had among the setting a number of children who will have been inspired to play an instrument.

Throughout the year, the focus and aim for all the planned and spontaneous activities and learning was to support the children to be school-ready and develop their independence. Thus, the key achievement of the setting in delivering the revised EYFS was the knowledge, through feedback from parents and schools, that every child who transitioned to Reception at the end of Summer 2022 was ready to embrace and engage in the next part of their educational journey.

II. 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.

In addition to the implementation of the revised EYFS, Kent County Council revised the Kent Tracker system. This tracker system titled "Milestone Assessment Tool" (MAT) is

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aimed at establishing each child's developmental starting point and supports being able to determine whether a child is at expected levels of development and on track to achieve the Early Learning Goals (ELGs) at the end of reception or should be included within the Graduated Approach. The Graduated Approach is 4-part process called the 'assess, plan, do, review cycle' which supports the development of additional learning support for a child that may not be achieving all ELGs.

In line with the revised EYFS and the aim to reduce paperwork, the trackers reflect a 12-month checkpoint against the ELG. The revisions were aimed at simplifying the tracking and reporting process and replaced the more overlapping development tracking methodology.

The Manager of the setting undertook the training of MAT and shared this learning and structure of assessment with all practitioners. From this, the setting used the assessment bands alongside the updated non-statutory government guidance "Development Matters" (July 2021). The revised tracking and assessment tools were used first for the "Progress at Two" reports a statutory progress check at two years detailing the milestones of a child's development in the prime areas. The completed reports were sent to parents and subsequently discussed during a parent consultation. Following this discussion and agreement with parents, these reports were then secured within the Personal Child Health Record Book (PCHR) and signed by the Manager as part of the 2 years integrated review.

For children at the setting aged over 3 years, the revised tracker system also provided a progress check report which included assessment against all 7 areas of learning. Each key person also completed this for their key children and each report was sent to parents and subsequently discussed in a parent consultation.

Using this new tracking and assessment system, it clearly demonstrated those children who met the milestones for their age group and those who would benefit from the Graduated Approach. It was very helpful and clear in highlighting where a more targeted approach for those children not quite meeting milestones would be beneficial, thereby enabling more tailored support to reach the milestones. What the assessment profile did not seem to reflect is to recognise those children who were exceeding their milestones and working at a greater depth of learning and understanding. This was something that practitioners also wished to reflect for planning against the 7 areas of learning following the assessments. Practitioners were also cautious as parents had come to rely on paperwork, trackers and reports to understand their child's development and to support evidence of this. Coming out of COVID and the impact on child development, means there will continue to be a certain amount of unknown. Subsequently the setting included additional markers to identify

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on the trackers where a child is developing or emerging to a greater depth for their age in each of the areas of learning. The end of year report also provided a narrative to accompany this. Feedback from parents was encouraging as they felt the report reflected a more detailed picture of the strengths as well as areas of development for their child.

Moving forward in the year ahead, the Manager and practitioners will continue to discuss and review all tracking and assessment methodology to ensure that a clear picture of every child's progress will be tracked and thus the curriculum adapted to support their learning.

III. OUTDOOR PROGRAMME/FOREST SCHOOL – To drive the outdoor focus of the Preschool and embed within the afternoon teaching programme.

With a large outdoor space at the setting, the commitment to outdoor learning is the main framework through which to deliver the ethos of the setting. To recognise the significance of outdoor learning, over the last 5 years the preschool has reflected and modelled a few of the principles of the Forest School approach.

Whilst the planning for the year encompassed a more “outdoor learning” approach, being able to include Forest School inspired activities as an integral part of the delivery of the outdoor curriculum was agreed as the next step in developing this approach. The Committee of Trustees, therefore agreed to the significant investment of funding for the Deputy Manager to undertake the Forest School Level 3 Leader Qualification. The qualification would take just over a year but would enable the Deputy Manager to plan and lead activities and identify how to incorporate Forest School activities as an integral part of the outdoor curriculum. At the end of the academic year, the Deputy Manager is currently working on the final assessment work to secure the qualification. However, throughout the year, including a week of practical work in the forest, Forest School paediatric training, the Deputy Manager has been able to start to share learning to the team and begin to develop the outdoor curriculum to reflect Forest School practices.

It was agreed that to commit to a more outdoor focus of the setting and delivery of the curriculum, the setting timetable would dedicate all afternoon sessions throughout the week to outdoor learning. Therefore, after lunch all children were dressed in their waterproofs and taken outdoors. The children began with circle time to discuss the activities that had been prepared. It is important to note at this time, that as part of the outdoor learning environment, the children were not forced to take part in the specific activity in the outdoor space, as several children enjoy creating their own role play outside, playing in the mud kitchen, digging as well as creating activities

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themselves. All these form part of the outdoor learning approach and the aim to build independence and confidence for each child, therefore with practitioner support child-led activities outdoors have been encouraged.

During the year, with high ratio levels in place, the children were taken into Knole Park, which adjoins the setting boundary. Time in the park provided children with the opportunity to run up and down hills and bumps, learn how to roll down a hill, roll balls and wheels down hills and to climb trees. They were also up close and able to observe a variety of wild animals including deer! Several children who wished to sit up in the branches of a tree provided arms outstretched to be lifted onto the branch. Getting the children to take risks and explore climbing the trees themselves was a successful learning exercise that then reflected in an increased level of confidence and sense of achievement. Cries of "can you see me" and "I did it" were celebrated and encouraged.

The outdoor curriculum also provided opportunities for the children to learn through the seasons about different trees and their leaves, as well as the fruit. They learnt about hibernating patterns of different animals and even made hedgehog hibernation boxes. The children created bird seed feeders, bug hotels, whittled wood and made tents and camps using tarpaulins. They developed sophisticated meals in the mud kitchen, planted seeds and plants, watered them, used water, sticks, funnels and tubing to create outdoor water features and lots of jumping in muddy puddles.

Seeing the success of the afternoon sessions, and the impact that the outdoor learning was having on the children, one of the practitioners requested to take up the opportunity to train for Level 1 in Forest School recognising that some of the activities would support the confidence building and development of a younger cohort of children at the setting. They identified that the younger cohort of children attending the setting, were usually only attending a morning session and were potentially missing out on activities that were taking place during the afternoon sessions. The practitioner, following completion of their qualification subsequently created several Forest School inspired activities. These took place outdoor following the morning workshop and continued until the end of the morning session. The success of the engagement of these children has further demonstrated the importance and benefit of the outdoor learning approach. For the next academic year, the setting will focus on further developing the preschool's pedagogical approach to Forest School and outdoor learning and include across the setting timetable and activities.

IV. 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.

The structure for the delivery of the curriculum has been documented in the narrative of achievements of the first objective as it has been recognised as being key to creating a varied, challenging and interesting learning experience for the children using the EYFS. As a team it was agreed that using a termly theme which would then cascade down to further sub-themes e.g., seasons and activities would enable all practitioners to plan and resource a rich variety of activities and ideas to benefit child development.

In addition to a termly theme, the term would reflect key dates and festivals that the setting would recognise and celebrate, identify key UN Sustainable Development Goals that would be delivered in line with the theme and festivals as well as inspire content of workshops that would take place in the morning and the planning for the afternoon outdoor curriculum. This approach would also ensure that the resources needed were prepared and more cost effective when ordering supplies as resources were used around the same time, even if the activity was adapted dependent on the age group.

A different practitioner took responsibility for each workshop and a one-page plan was produced for the term highlighting the activity (Intent), the resources to be used and how (Implementation) and the aim/outcome of the activity against the EYFS (Impact). These were combined to create a one pager detailing a framework for the morning sessions. A dedicated one pager was also created for the outdoor learning programme for the afternoon session. In the next academic year, the aim will be to integrate further the outdoor curriculum across both the morning as well as the afternoon timetable.

In the bi-monthly staff meetings, weekly planning sheets were used to summarise the ideas for each room for 2 weeks ahead reflecting how the 7 areas of learning were being explored through the activities. The plan also provided the opportunity for practitioners to include child-led feedback that then adapted the plan moving forward considering this learning.

Having an overall framework that provided a focus for practitioners, and yet was flexible enough to adapt based on child-led interest and learning, provided the practitioners with the confidence to support all children across the setting, rather than plan solely for their key children. This led to the team working stronger together as they supported each other in the planning and delivery of activities and provided ideas to each other that would provide support for children that may not be their key child.

The aim for the next academic year will be to continue to refine and evolve the planning process to reflect the changing needs of the children.

V. SAFEGUARDING AND WELFARE – To promote good health and well-being for each child at the setting.

The safeguarding and welfare of every child is of the utmost importance and priority for this setting. Coming out of COVID having had no face-to-face training provided and online courses being completely booked up, it was the priority at the start of the academic year to prioritise safeguarding training and ensure that all mandatory training of every staff member was up to date.

From the outset, the team reviewed the safeguarding policy for the setting. Supported by safeguarding information from Kent County Council, the full policy was updated with every staff member reading and contributing to the content. The Manager then presented the draft policy to the Committee of Trustees and following agreement and feedback, was finalised and approved.

The Manager undertook the Kent specific Designated Safeguarding Lead (DSL) training as a priority to ensure that Kent-based support particularly through the Front Door service provision was understood and shared to all staff members. To secure consistent safeguarding support, the Manager appointed 2 Deputy DSLs who also undertook further safeguarding training. This enabled the setting to have a robust unit of 3 staff members to explore any safeguarding matter and enabled the practitioners to always have a safeguarding representative both at the setting but also in the room. In addition, a member of the Committee of Trustees was also designated the Safeguarding role and was briefed on all aspects of the setting's safeguarding approach.

With such a priority on safeguarding, a safeguarding audit was undertaken by the setting team that spanned 2 full staff meetings. This audit highlighted areas that needed to be tightened up, the information that was lacking among the team, as well as a better clarity and consistency around the safeguarding procedures across the setting. Over the year, the focus was to work on areas of the audit needing to be improved.

On the back of the audit and feedback from practitioners, the DSL undertook training titled "Safeguarding Record Keeping for Designated Safeguarding Leads" that explored Kent County Council's (KCC) approach to record keeping for providers. Using several templates made available through KCC, the DSL developed a clear approach to forms and record-keeping formats to be used consistently across the setting. The revised

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forms and procedures were documented with clear identification as to the use of each form, then all template forms and descriptions were placed in a folder within the setting for staff to refer to at any point. One of the Deputy DSLs then created an exercise using scenarios for practitioners to explore which form would be used for each scenario. This was a useful exercise to remember which forms should be completed in different situations and embedded the learning for staff.

The inclusion in the revised EYFS of the importance to promote good health, including oral health was detailed within the Safeguarding section. This focus was included within the educational programme of the setting and delivered as part of the Physical and Nutrition morning workshops.

Finally, whilst the EYFS requires one person on the premises and available with a current paediatric first aid (PFA) certificate, the setting aims to have as many qualified in PFA as possible. Thus, during the last year, training was completed to ensure that every practitioner in the setting had a current PFA certificate. The Deputy Manager as part of the Forest School Leader qualification instead undertook a Forest School First Aid Certificate and the Manager is aiming to undertake a full adult First Aid certificate.

Management of the Setting:

1. MANAGEMENT OF THE SETTING – To support new Manager to develop setting

Whilst the new manager was already working at the setting as a Deputy Manager, the aim of the objective was to prioritise the practitioner team to work in partnership with the Manager in their new role and develop a programme at the setting using the revised EYFS. Whilst working at the setting, the Manager had already identified and observed the wealth of experience and talent of the staff, and the year ahead was spent encouraging the practitioners to provide feedback and contribute ideas to continue to develop the setting as a cohesive team. Through staff meetings, being present around the setting, practitioners and the Manager explored new ideas, tried new approaches and provided significant support to each other throughout the year resulting in a strong, cohesive and supportive team to one another and the Manager and resulted in a significant number of key achievements across the setting. These included a variety of workshops, a Forest School inspired outdoor programme, a nativity play to which parents attended, the end of year Graduation Show and most importantly a cohort of children who were school-ready eager learners.

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II. STAFF WELL-BEING – To focus on support and building up of staff team in light of pandemic and changes at the setting

The pressures placed on Early Years practitioners throughout the pandemic has been well documented. With staff having to isolate with a COVID case, not having bank staff to cover staff shortage, financial pressures in a sector with low salary levels and concerns about exposure to COVID and the impact on family, the well-being of staff across the sector was recognised as being at an all time low.

To that end, the priority was to explore ways, however small, to support the practitioners' well-being. The following were focussed on during the academic year:

- (i) Flexibility for staff rota – if a practitioner wanted to attend an appointment or specific close family member event, in discussion with the Manager, staff were able to swap a session with another staff member and move shifts around to attend, where possible
- (ii) The Manager covered lunchtime, to ensure that every practitioner took a break away from the children and setting to eat lunch and time away from their responsibilities in the setting.
- (iii) Every practitioner was given paperwork time during working hours, to dedicate to observations and tracking of their key children. This time was included on the rota and the Manager and staff covered ratio to ensure that this paperwork time was fully utilised by each practitioner to reduce work required to be completed out of hours.
- (iv) To make paperwork time easier, rather than using the dated Kindles from the setting, 2 new tablets with keyboards were purchased for a more effective and comfortable way to input observations and complete trackers. The tablets made paperwork time significantly quicker and therefore more productive for staff.
- (v) Whilst ongoing COVID testing twice a week was still mandatory until March 2022, the setting ensured that boxes of test kits were delivered and readily available for staff to take home for testing.
- (vi) Staff meetings were structured to ensure all staff members input and contributions were valued, that the team would listen and support one another and that changes to procedures and other decisions were made together as a team
- (vii) In the weekly setting newsletter, the Manager highlighted a "Star of the week" which enabled the manager to share the achievements and hard work of practitioners over the year to parents.
- (viii) Regular discussion by Trustees at Committee meetings as to how staff well-being is being supported.

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The significance of finding ways to support hard working practitioners was never underestimated, and the opportunity to support and lift the practitioners was taken at all opportunities. This approach and commitment to their well-being will continue to be a central focus at the setting.

III. STAFF DEVELOPMENT – To develop clear succession planning for all key roles and enable all staff equal opportunity to develop their potential

Through the development of a clear appraisal and supervision process in place, staff had more clarity about their objectives over the year and were able to step forward to ask to take on new responsibilities and focus achievement of their objectives against these. Two members of staff had started their Level 3 practitioner training during the last academic year and were encouraged and supported throughout the course of the year. One practitioner left during their training, whilst the second practitioner achieved distinction in their Level 3 assessment in July 2022. Throughout the training programme, these practitioners in staff meetings fed back learning they felt to be beneficial for the setting. This feedback aided practice through making the team question current practice and explore changes or amends to better support children. A further practitioner during the year also started their Level 3 qualification and continues to work hard in their training with further unqualified practitioners wanting to explore completing this qualification. Trained practitioners will contribute towards raising the standard of the setting which is something that is supported by the Manager and the Committee.

At the start of the year the Manager appointed a new Deputy Manager, SENCo, PANCo and 2 Deputy DSLs and the year was dedicated to identifying training to support their learning and skill sets for these roles. With the time and investment required to develop the knowledge and then subsequently implement them in the setting, it was identified that it would be prudent to cascade this learning to additional practitioners and thereby have other practitioners develop knowledge to use during the days when the lead practitioner is not in the setting or has a significant workload. With the difficulty in the market for the recruitment and retention of staff, being able to provide staff members with new learning and then share this learning with other members of the team was felt to support the retention of this highly valued staff team.

IV. FINANCIAL RESPONSIBILITY – To explore opportunities to drive optimal occupancy model and ensure ongoing financial viability of the preschool following the financial impact of Coronavirus.

The academic year started with low occupancy due to hesitancy of families to book sessions having not had the opportunity to view the setting. The priority was to

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ensure that all children already attending were provided with a varied and engaging curriculum. In addition, the Manager prioritised exploring how to welcome new families to the setting. Viewings to the setting began in November 2021 and with 2 admission opportunities in January 2022 and April 2022, occupancy began to increase. The increase in viewings also developed a longer wait list for September 2022 entry, as well as learning of the closing of a couple of other settings across the Sevenoaks district, leaving families looking for alternative provision for their child.

The new manager has a qualified teacher status and by January 2022, this was recognised by KCC within the government funding allocation as a qualification leadership supplement. This provided a further financial contribution to the government funded hours. This has made also a significant positive impact to the setting budget.

To support further financial investment, the Chair of Committee of Trustees, at the time Rebecca Rushton, explored several opportunities to secure grants, with a large grant from Tesco to use on outdoor resources. Funding from KCC titled the 'Covid Outbreak Management Fund' also provided a large investment which was to be used to invest in new resources to develop our outdoor provision as well as resources to support children in the prime areas. These funds enabled resources to be purchased that would not have been possible to have and yet have had a significant positive impact on the children. For example, a wooden outdoor tepee purchased with the funds has become a pivotal timeout area for children if they have become overwhelmed or required a quiet space to be whilst outdoors. All the children have recognised this quiet area and have respected and supported children that have been sitting inside. Books and cushions have been placed inside, and the children have found it a place not just of calm but also be quiet during a busy and sometimes noisy day. Funds were also used to purchase resources for the Forest School activities which would not have been possible to plan for without them.

Whilst the setting explored numerous ways to generate further income, the significant rise in the minimum wage mid-year, created a significant spike in expenditure. This was generated as the salary structure in place supported different salary bands based on differing levels of qualifications. The increased minimum wage therefore required a complete review of the salary bands and an uplift in every practitioner's salary. This was required to be in place, without any further increase in government funding or other income streams. Whilst the Committee of trustees would wish to provide significant salaries to each of the staff members, managing to balance the accounts to minimise loss was a key priority during the remainder of the year.

V. COMMITTEE AND STAFF PARTNERSHIP – To build on progress of roles and responsibilities of Committee and their governance with focus on support of staff

The setting is fortunate that over the last couple of academic years, particularly through the pandemic, there has been a superb chair, Rebecca Rushton, who navigated the ever-changing landscape during Covid and has fundraised, completed grant applications and significantly supported The Children's Workshop. During the last academic year, whilst Rebecca no longer had a child at the preschool, agreed to remain on the Committee but indicated her wish to pass the Chair role to another member of the Committee. Fortunately, Ursula Spindler from the Committee agreed to take over the role of Chair and partnered with Rebecca to facilitate a manageable handover of the role. This transition has enabled this vital role to continue to be held by another strong Chair.

The Manager of the setting is on the Committee of trustees as the representative for Ofsted. The Manager subsequently identified that a further member of the Committee should be a safeguarding representative. The aim of the role was to understand the safeguarding process in place at the setting and if any specific safeguarding concern arose, whilst not being informed of the specifics of any concern, as the Committee representative would be able to ask questions to ensure that the setting was following the approach and procedures that were in place. Dr Anneen Aucamp from the Committee agreed to take on this responsibility and remained in contact with the Manager and continued to be kept updated on amends to safeguarding procedures and new guidance. In addition, Ursula Spindler as Chair of the Committee of Trustees also agreed to be the staff representative. This role is vital to provide staff the opportunity to approach a member of the leadership of the Committee directly rather than through the Manager. It is important both to the trustees as well as the Manager that any matter that a staff member may wish to discuss should have the opportunity to approach the Committee of trustees directly, knowing they will be respected and listened to.

Partnership working:

I. LOCAL COMMUNITY – To re-connect, in light of Coronavirus, partnerships developed within the community prior to the pandemic e.g., schools

This academic year has provided the preschool opportunities to develop links again with local primary schools that the children were transitioning to in August 2022. Visits from representatives of schools to the setting, transition programmes in partnership with schools and a strong dialogue of communication and support was developed with many of the schools. This partnership ensured that smooth

For the period ended 31st August 2022

transitions were made possible from the preschool to primary school with many of the children sharing details of their school with confidence and transition reports and information shared with schools. The process was both encouraging and affirming for many of the children.

Sadly, the much-loved partnership with the adults with learning difficulties held at the leisure centre that was valued and treasured prior to COVID, has been unable to restart at this time both due to the restrictions that remained in place, and the changes with the structure and timings of the meetings. The aim is to pursue this again in the next academic year along with approaching one of the homes for the elderly. Visits to the market again did not take place as building the outdoor curriculum through prioritising visits to Knole Park meant this is to be included within the plan for the coming year.

II. 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.

During the pandemic, the only opportunities to interact with families was through Tapestry, Zoom calls and at the entrance door. However, the aim had been to engage families more in the setting with the aim of encouraging further engagement to support the ongoing development of their child. As restrictions were beginning to be lifted, families were welcomed to the outdoor area of the setting at pick up, both to see their child emersed in the outdoor and to start to explain to families the outdoor space of the setting and how it is utilised. This also provided an opportunity for a discussion with practitioners who were in the garden ready to release children to their parents. With the opportunity for families to go on holiday, the practitioners and Manager encouraged parents to share images and description of activities that their child did whilst on holiday. This prompted the team to ask children during circle time if they had been away and share memories from their holidays.

The new Manager developed a weekly newsletter for families to share what the children had experienced during the week (titled “the week that was”) and then shared what the children would be doing in the week ahead (titled “the week to come”). This meant that parents were able to have more informed conversations with their child and understand more of what was happening on a day-to-day basis in the setting. The newsletter also encouraged donations of different resources, as well as donations towards different key activities and key information for parents that may require action. The newsletter became a key tool in sharing key information and engaging parents within the curriculum as well as resources needed for the activities.

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 preschool'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 had 49 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 49 children 9 have English as an additional language and 1 is in receipt of extra funding (SENI) for learning support.

The children's progress is monitored throughout the year using the revised 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 were monitored using a 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, the first term's theme was 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 2022, The Children's Workshop made a loss of £5,299, a decrease of £17,416 from the profit of £12,117 from 31 August 2021. Despite the loss recorded in this period, it is worth noting that the 2-year P&L average shows a profit of £3,409 pa and the 3-year P&L average a profit of £10,637 pa.

The total income for the year ending 31 August 2022 was £158,715, an overall decrease of £10,939 from £169,654 in August 2021. This decrease is due to lower occupancy figures at the beginning of the 2021/22 academic year caused by the on-going effects of the Coronavirus pandemic. There was also a delay in receiving the quality supplement for Early Years Teacher (EYT) qualifications (as per the Kent Provider Agreement). We were only able to apply for the quality supplement once Nicola Mackert was appointed as the Preschool Manager, so this additional payment only came into effect from January 2022.

For the period ended 31st August 2022

The Children's Workshop's total expenditure for the year ending 31 August 2022 was £164,013, an overall increase of £6,476 from £157,537 in August 2021.

Staffing costs increased despite lower occupancy figures due in part to a significant increase in Minimum Wage in April 2022 (6.6% increase). Staffing expenditure accounted for £129,989 of the expenditure to 31 August 2022 (£126,499 for year ending 31 August 2021), an increase of £3,490. Also contributing to the increase in staffing costs was the final notice period payments to the former preschool manager which totalled £3,803 for September and October 2021.

Training and Maintenance were two other areas where we incurred increased expenditure. In training for example, we spent £1,335 on Forest School related training and a further £458 on Level 3 training for staff members (total £1,793). This is in addition to on-going mandatory training (i.e., First Aid, Designated Safeguarding Leadership and Food Hygiene) which had fallen behind due to the pandemic.

There were several building maintenance issues that required attention – for example refitting doors to prevent water damage (£936), works on the sewerage system (£265) and repairs to the guttering (£246). We also continued to have increased costs for cleaning and cleaning products to maintain our strict Covid protocols.

The net asset balance is £225,352 as at 31 August 2022, down from £230,651 as at 31 August 2021.

In order to purchase our building, we obtained a loan from the Charity Bank which is repayable over 7 years. We currently have 1 year remaining on the loan (end date 12/08/2023) with an estimated balance of £10,593 as at August 2022. The loan will be fully repaid by August 2023 freeing up an additional £919.94 per month (£11,039 pa) from September 2023 onwards.

Our current cash at bank of £89,862 is significantly down from £112,470 in August 2021. However, we remain in a strong financial position to 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:

- Continuing increase of the minimum wage on the salary structure
- 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.

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 £89,862 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 2022–2023

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:

- I. **Educational Programme** – To review the setting's environment and approach to the prime areas of learning (language and communication, Personal, Social and Emotional Development and Physical Development) to maximise the opportunities to deliver an inclusive and supportive programme.
- II. **Forest school development** – To build on last year's achievements and develop the setting's forest school pedagogical approach across the setting.
- III. **Curriculum planning and approach** – To review and adapt the setting's approach to and planning of the curriculum to ensure delivery of an inspirational curriculum which evolves and adapts in response to children's needs.
- IV. **UN Sustainable Development Goals** – To develop the setting's commitment to the goals within everyday practice at the setting and develop specific activities around the goals.
- V. **Safeguarding and Welfare** – To continue to revise practice for the health and well-being of each child at the setting.

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

This year our focus will be aimed towards:

- I. **Staff Development** – To invest in training that supports the development of staff skills, informs their practice and subsequently positively impacts the setting. Cascading learning to other practitioners will also be key.

For the period ended 31st August 2022

- II. **Staff Well-Being** – To continue to effectively support staff well-being
- III. **Setting Administration** – To review database platforms currently used across the setting and with families, with a view to streamline the system, improve efficiency and reduce paperwork
- IV. **Committee Management and Governance** – To build on the strong partnership between the Committee and setting and identify opportunities to build in succession planning of Committee roles.

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

This year our focus will be aimed towards:

- I. **Local Community** – To extend partnerships within the local community e.g., homes for the elderly, the market, Neighbourly.
- II. **Parental Engagement** – To continue to engage parents in supporting their child's development in partnership with the preschool.

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 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.

The Children's Workshop Trustees' Annual Report

For the period ended 31st August 2022

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>
Hollie Silver	September 2021
Joanne Forder	November 2021
Luke Stringer	November 2021
David Bill (Treasurer)	April 2022
<u>Current committee members</u>	<u>Date of appointment, election or re-election</u>
Ursula Spindler (Chair)	March 2022
Rebecca Rushton (Treasurer)	April 2022
Katalina Bateman (Secretary)	November 2021
Nicky Mackert (Preschool Manager)	November 2021
Claire Icel	November 2021
Kristina Brockington	November 2021
Anneen Aucamp	November 2021
Gillian Bragg	November 2021
Kinvara Rogers	November 2021
Dr Jocelyn Walbridge (co-opted member)	April 2022
Catherine Burgess (co-opted member)	April 2022
Claire Charlton (co-opted member)	April 2022

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

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. During an extraordinary meeting on March 3rd, 2022, Rebecca Rushton resigned as Chair from the Committee. Ursula Spindler, having consented to act as Chair, was appointed and approved.

The Children's Workshop Trustees' Annual Report

For the period ended 31st August 2022

David Bill's resignation from the committee and from his role of treasurer was accepted during a committee meeting on April 28th, 2022. Rebecca Rushton agreed to become interim treasurer. During the same meeting Dr Jocelyn Walbridge, Catherine Burgess and Claire Charlton joined the committee as co-opted members.

Volunteers

Our volunteers contribute in many important ways to The Children's Workshop's success and achievements. Volunteers include our Trustees.

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
- 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.

The Children's Workshop Trustees' Annual Report

For the period ended 31st August 2022

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 2022 was 49 (2021: 54). 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 26 October 2022 and signed on their behalf by:



Ursula Spindler
Chair of Committee of Trustees



Rebecca Rushton
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 2022

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 2021 to 31 August 2022, which are set out on the following pages.

Basis of Independent Examiner's Report

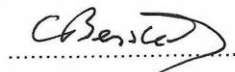
My examination was carried out in accordance with the General Directions given by the Charity Commissioners. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items 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

GRANT BENSTED

Address

19 MEADOWLANDS SEAL SEVENOAKS KENT TN15 0DY

Date

27/10/22

The Children's Workshop

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

For the period 1 September 2021 to 31 August 2022

		Year to 31/08/2022			Year to 31/08/2021		
	Note	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Income from:							
Donations and legacies	2	9,063	6,188	15,250	3,774	658	4,432
Charitable activities	3	141,985	1,473	143,458	162,624	2,593	165,217
Investment income	4	6	-	6	5	-	5
Total income		151,054	7,661	158,715	166,403	3,251	169,654
Expenditure on:							
Raising funds	5	-	-	-	521	-	521
Charitable activities							
Pre-school	5	155,803	8,211	164,013	153,765	3,251	157,016
Total expenditure		155,803	8,211	164,013	154,286	3,251	157,537
Net income / (expenditure) before net gains / (losses) on investments		(4,749)	(550)	(5,299)	12,117	-	12,117
Net gains / (losses) on investments		-	-	-	-	-	-
Net income / (expenditure) for the year	15	(4,749)	(550)	(5,299)	12,117	-	12,117
Transfers between funds		-	-	-	-	-	-
Net income / (expenditure) before other recognised gains and losses		(4,749)	(550)	(5,299)	12,117	-	12,117
Gains / (losses) on revaluation of fixed		-	-	-	-	-	-
Other gains / (losses)		-	-	-	-	-	-
Net movement in funds		(4,749)	(550)	(5,299)	12,117	-	12,117
Reconciliation of funds:							
Total funds brought forward		230,101	550	230,651	217,984	550	218,534
Total funds carried forward		225,352	-	225,352	230,101	550	230,651

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 2022

	Note	31/08/2022 £	31/08/2021 £
Fixed assets:			
Tangible assets	8	152,973	154,736
		152,973	154,736
Current assets:			
Debtors	9	-	-
Balance at Bank		89,862	112,470
Cash in hand		-	-
		89,862	112,470
Liabilities:			
Creditors: amounts falling due within one year	10	17,483	25,963
Net current assets / (liabilities)		72,379	86,507
Total assets less current liabilities		225,352	241,243
Creditors: amounts falling due after one year	12	-	10,593
Net assets excluding pension asset / (liability)		225,352	230,651
Defined benefit pension scheme asset / (liability)		-	-
Total net assets / (liabilities)		225,352	230,651
Funds:	14		
Restricted income funds		-	550
Unrestricted income funds:			
Designated funds		142,381	134,305
Revaluation reserve		-	-
Pension reserve		-	-
General funds		82,971	95,796
Non-charitable trading funds		-	-
Total unrestricted funds		225,352	230,101
Total funds		225,352	230,651

For the year ending 31 August 2022 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 26 October 2022 and signed on their behalf by :



Ursula Spindler
Chair



Rebecca Rushton
Treasurer

The Children's Workshop

Consolidated statement of cash flows

For the period 1 September 2021 to 31 August 2022

	Note	Year to 31/08/2022		Year to 31/08/2021	
		£	£	£	£
Cash flows from operating activities					
Net cash provided by/ (used in) operating activities	15		(8,471)		33,960
Cash flows from investing activities:					
Dividends, interest and rents from investments		-		-	
Proceeds from the sale of fixed assets		-		-	
Purchase of fixed assets		(8,589)		(522)	
Proceeds from sale of investments		-		-	
Purchase of investments		-		-	
Net cash provided by / (used in) investing activities			(8,589)		(522)
Cash flows from financing activities:					
Repayments of borrowing		(5,548)		(9,130)	
Cash inflows from new borrowing		-		-	
Receipt of endowment		-		-	
Net cash provided by / (used in) financing activities			(5,548)		(9,130)
Change in cash and cash equivalents in the year			(22,608)		24,308
Cash and cash equivalents at the beginning of the year			112,470		88,162
Change in cash and cash equivalents due to exchange rate movements			-		-
Cash and cash equivalents at the end of the year			89,862		112,470

Notes to the financial statements

For the period 1 September 2021 to 31 August 2022

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.

Notes to the financial statements

For the period 1 September 2021 to 31 August 2022

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 purposes.

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 2021 to 31 August 2022

2 Income from donations and legacies

	Unrestricted £	Restricted £	Year to 31/08/2022 Total £	Year to 31/08/2021 Total £
Donations	7,294	-	7,294	2,485
Grants	-	6,188	6,188	658
Fundraising events	1,769	-	1,769	1,289
	9,063	6,188	15,250	4,432

3 Income from charitable activities

	Unrestricted £	Restricted £	Year to 31/08/2022 Total £	Year to 31/08/2021 Total £
Pre-School Fees	64,651	-	64,651	63,549
Government contributions to fees	76,714	1,473	78,187	101,069
Contribution to school trips, uniform etc	620	-	620	600
Total income from charitable activities	141,985	1,473	143,458	165,217

4 Income from investments

	Unrestricted £	Restricted £	Year to 31/08/2022 Total £	Year to 31/08/2021 Total £
Bank Interest	6	-	6	5
	6	-	6	5

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Notes to the financial statements

For the period 1 September 2021 to 31 August 2022

5 Analysis of expenditure

	Cost of raising funds £	Charitable expenditure: Pre-school £	Governance costs £	Support costs £	Year to 31/08/2022 £	Year to 31/08/2021 £
Staff costs (Note 6)	-	105,565	7,433	16,991	129,989	126,499
Equipment	-	5,566	-	-	5,566	2,119
Pre-school Supplies (incl snack)	-	1,206	-	-	1,206	1,324
School activities	-	633	-	-	633	306
Recruitment	-	45	-	-	45	-
Rent	-	-	-	-	-	-
Ground Rent	-	2,600	-	-	2,600	2,600
Utilities	-	1,821	-	-	1,821	1,406
Maintenance costs	-	2,389	-	-	2,389	1,962
Cleaning costs	-	2,010	-	-	2,010	1,650
Other premises costs	-	1,664	-	-	1,664	650
Business Rates	-	685	-	-	685	57
Insurance	-	1,739	-	-	1,739	1,927
Professional costs	-	(3,426)	60	-	(3,366)	674
T-shirts and book bags	-	480	-	-	480	623
Training costs	-	2,477	-	-	2,477	564
Fundraising costs	-	-	-	-	-	521
Office supplies	-	1,420	-	-	1,420	766
Depreciation	-	10,352	-	-	10,352	10,535
Phone	-	996	-	-	996	1,123
Other administration costs	-	-	-	-	-	122
Bank charges	-	91	-	-	91	89
Loan financing - interest	-	1,201	-	-	1,201	1,910
Event costs	-	-	-	-	-	-
Transportation costs	-	-	-	-	-	112
Other Volunteer Expenses	-	15	-	-	15	-
	-	139,529	7,493	16,991	164,013	157,537
Support costs	-	16,991		(16,991)	-	-
Governance costs	-	7,493	(7,493)		-	-
Total expenditure 2022	-	164,013	-	-	164,013	157,537
Total expenditure 2021	521	157,016	-	-	157,537	

Of the total expenditure, £155,803 was unrestricted (2021: £154,286) and £8,211 was restricted (2021: £3,251).

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Notes to the financial statements

For the period 1 September 2021 to 31 August 2022

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

Staff costs were as follows:

	Year to 31/08/2022	Year to 31/08/2021
	£	£
Salaries and wages	119,618	117,834
Redundancy and termination costs	-	-
Social security costs	5,995	4,377
Pension contributions	4,376	4,288
	129,989	126,499

No employee earned more than £60,000 during the year (2021: £ nil).

The charity trustees were not paid or received any other benefits for their duties as a trustee in the year (2021: £ nil).

One trustee was employed by the charity during the year.

Nicola Mackert was paid under a contract of employment £26,551 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 31/08/2022	Year to 31/08/2021
	No.	No.
Raising funds	-	-
Pre-school	7.9	9.7
Support	1.8	1.8
Governance	0.6	0.6
	10.2	12.0

8 Tangible fixed assets

	Pre-school building £	Fixtures and fittings £	Computers & equipment £	Total £
Cost				
At the start of the year	203,217	-	3,338	206,555
Additions in year	6,500	-	2,089	8,589
At the end of the year	209,717	-	5,427	215,144
Depreciation				
At the start of the year	48,974	-	2,845	51,819
Charge for the year	10,051	-	301	10,352
At the end of the year	59,025	-	3,146	62,171
Net book value				
At the end of the year	150,692	-	2,281	152,973
At the start of the year	154,243	-	493	154,736

All of the above assets are used for charitable purposes. 34

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Notes to the financial statements

For the period 1 September 2021 to 31 August 2022

9 Debtors

	2022 £	2021 £
Trade debtors	-	-
Prepayments	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

10 Creditors: amounts falling due within one year

	2022 £	2021 £
Creditors (loans due within 1 year)	10,593	9,838
Trade Creditors	4,290	-
Accruals	-	4,000
Deferred income	2,600	12,124
	<u>17,483</u>	<u>25,963</u>

11 Deferred income

	2022 £	2021 £
Balance at the beginning of the year	12,124	1,900
Amount released to income in the year	(12,124)	(1,900)
Amount deferred in the year	2,600	12,124
	<u>2,600</u>	<u>12,124</u>

12 Creditors: amounts falling due after one year

	2022 £	2021 £
Bank loans	-	10,593
Amounts due under finance leases	-	-
	<u>-</u>	<u>10,593</u>

Bank loans totalling £10,593 (2021: £20,431) 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	-	152,973	-	152,973
Net current assets	82,971	(10,593)	-	72,379
Long term liabilities	-	-	-	-
	<u>82,971</u>	<u>142,381</u>	<u>-</u>	<u>225,352</u>

The Children's Workshop

Notes to the financial statements

For the period 1 September 2021 to 31 August 2022

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	7,661	(8,211)	-	-
Total restricted funds	550	7,661	(8,211)	-	-
Unrestricted funds:					
<i>Designated funds:</i>					
New pre-school building	134,305	-	-	8,076	142,381
Total designated funds	134,305	-	-	8,076	142,381
General funds	95,796	151,054	(155,803)	(8,076)	82,971
Total unrestricted funds	230,101	151,054	(155,803)	-	225,352
Total funds	230,651	158,715	(164,013)	-	225,352

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 31/08/2022 £	Year to 31/08/2021 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(5,299)	12,117
Depreciation charges	10,352	10,535
(Increase)/decrease in debtors	-	-
Increase/(decrease) in creditors	(13,524)	11,307
Net cash provided by / (used in) operating activities	(8,471)	33,960

16 Analysis of cash and cash equivalents

	At 1 September 2021 £	Cash flows £	Other changes £	At 31 August 2022 £
Cash in hand	-	-	-	-
Cash at Bank	112,470	(22,608)	-	89,862
Overdraft facility repayable on demand	-	-	-	-
Total cash and cash equivalents	112,470	(22,608)	-	89,862

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.