

COMPANY NUMBER 06784276

**BOWS AND ARROWS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 AUGUST 2020**

CHARITY NUMBER 1129046

ENSORS ACCOUNTANTS LLP
CARDINAL HOUSE
46 ST NICHOLAS STREET
IPSWICH
IP1 1TT

BOWS AND ARROWS
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

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BOWS AND ARROWS

REFERENCE AND ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31 AUGUST 2020

Trustees and directors

Mr J Roberts	
Mr S Greenacre	
Miss N Bedford	Resigned 2 November 2020
Mrs C Atkins	
Dr S Coombs	Resigned 1 September 2019
Mrs H Cotton	
Mrs F Rouane	
Mr J Lewis	

Company status

Limited by guarantee

Joint chief executives

Anne Denny
Michelle Antczak

Registered office

Wigwams Nursery
Whitton Church Lane
Ipswich
IP1 6LW

Charity number

1129046

Company number

06784276

Auditor

Ensors Accountants LLP
Cardinal House
46 St Nicholas Street
Ipswich
IP1 1TT

Bankers

Lloyds Bank
PO Box 4
13 Cornhill
Ipswich
IP1 1DG

Solicitors

Gotelee Solicitors LLP
Elm Street
Ipswich
IP1 2AY

BOWS AND ARROWS

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2020. The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's Articles of Association, the Companies Act 2006 and "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)".

The annual report serves the purposes of both a trustees' report and a directors' report under company law.

Since the company qualifies as small under Section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

The information on page 1 forms part of this report.

BOWS AND ARROWS

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 AUGUST 2020

Our Goal

Bows & Arrows envisages a time when all children, irrespective of race, culture, means or ability, can thrive within high quality and affordable childcare that has the needs of their families at its heart.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17 of The Charities Act (2011) to have due regard to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on charitable educational establishments and advancement of education.

Our main activity is the operation of 'full daycare' nurseries. Bows & Arrows has established high-quality settings in locations that will serve some of the most disadvantaged families in Ipswich. We have a significant number of children with additional needs, children for whom English is not their first language and children at risk.

ACHIEVEMENT AND PERFORMANCE

Charitable Objects

As set out in our Memorandum of Association, Bows & Arrows' aim is to "advance the education and development of young children", in particular in Ipswich, Suffolk, by:

1. offer appropriate learning experiences and play facilities;
2. ensure that our nurseries offer opportunities for all children whatever their race, culture, means or ability
3. encourage parents to become involved in the activities of the nursery;
4. signpost families to additional support in the best interests of children attending the setting.

866 local children attended our nurseries throughout, or at some point during, the period and we employed a staff of 97 at the end of the period. From late March 2020, coronavirus interrupted our usual operations for a time. We temporarily closed Little Learner & Forest Learners, and Wellington Nursery. We continued limited operations at all other sites, but introduced home-learning packs, check-in calls, and posted activities for families on Facebook. In June, we re-opened to all children again with additional cleaning and social-distancing protocols in place to reduce risks to families and our staff.

We continued to achieve the Objects in the following ways:

1- offered appropriate learning experiences and play facilities;

We achieved this aim in a number of ways, set out herein

- Operation of day-care nurseries that are subject to internal and external assessment
- Growth of the number of places available to children and families
- High-levels of outcomes for 3-4 year olds in the EYFS' 'early learning goals'

We operated childcare from six Ofsted registered settings. We know that our children's learning experiences and play is appropriate from our Ofsted inspections. Our 4 'Outstanding' Ofsted gradings and one 'Good' (with an 'Outstanding' element) are a notable achievement and emphasises the talent, passion and skill of our practitioners and nursery leaders. Nature Den Nursery has not been inspected by Ofsted. It was due before April 2020 but this was delayed by the coronavirus pandemic.

BOWS AND ARROWS

TRUSTEES' ANNUAL REPORT *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

Further, our Nursery Managers and Joint CEO (Operations) regularly ensured that these standards were maintained via:

- Peer-Review of one another's settings (suspended from March 2020)
- Assessing our learning environments with ITERS (Infant/Toddler Environments Rating Scale) and ECERS ('Early Childhood Environmental Rating Scale).
- Monitoring Visits from the Local Authority (suspended from March 2020)
- Measuring children's educational outcomes using the Early Years Foundation stage curriculum.

Name	Location	Ofsted Grading
Buttons & Bows Nursery	Aster Road, Ipswich	Outstanding (2013) Outstanding (April 2019)
Wigwams Nursery	Whitton Church Lane, Ipswich	Outstanding (2013) Outstanding (August 2019)
Little Learners Nursery	Hogarth Road, Ipswich	Outstanding (2014) Outstanding (July 2019)
Wellington Nursery	Chevallier Street, Ipswich	Good (February 2018), with Outstanding in 'Personal Development, Welfare & Behaviour"
The Children's Triangle Nursery	Pauls Road, Ipswich	Outstanding (June 2018)
The Nature Den Nursery (Opened January 2018)	Bramford Lane, Ipswich	First Inspection Awaited

Since opening in January 2019, Forest Learners Nursery continues to deliver the Early Years Foundation Stage curriculum, via Forest Schools principles and practices which enable children to learn about the natural environment, work collaboratively to problem solve and excellent opportunities to develop their physical skills. Children spend most of the day outside and the building is used as a base for meals and rest.

A new room was opened within the building at The Nature Den Nursery for Summer Term 2020, specifically for the Toddler age group.

Bows & Arrows recognises the educational and wellbeing benefits of outdoor play and subsequent learning. Many children enjoyed our 'free flow' outdoor areas, trips to local parks and fields, and specific Forest School sessions lead by our employed Level 3 trained Forest Leaders. Some of these events were modified from late March 2020 due to coronavirus to prevent mixing of age groups, or groups from different settings.

The children attending our nurseries were assessed against the early learning goals of the Early Years Statutory Framework ('the EYFS'). In Summer Term 2019, 74% of all children aged 3 or 4 years were at the 'Expected' level of development or 'Exceeding' it. Due to the very low occupancy in Summer Term 2020 we were unable to usefully assess this cohort.

BOWS AND ARROWS

TRUSTEES' ANNUAL REPORT *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

2 - ensured that our nurseries offer opportunities for all children whatever their race, culture, means or ability

All families had the opportunity to benefit from our service without unnecessary and unreasonable restrictions. Specifically,

- Our nurseries were 'open access' i.e. any child could join the nursery subject to age, funding criteria (set by the government) and payment of fees.
- Policies were in place to ensure we were inclusive, particularly the admissions policy and equal opportunities policy
- There were no joining fees and no registration fees as this might restrict access to our services.
- We accepted funding for all our sessions, including sessions for eligible 2 year old children.
- We did not charge families for additional activities such as Forest Schooling, and occasional excursions.

Every setting employed at least one Special Educational Needs Co-ordinator to support children with additional needs.

The Two Year Old Project, funded by Ipswich Opportunity Area, aimed to improve communication skills for up to 120 children across the nursery group using a number of interventions over a period of 12 months. The interventions included accredited training for 15 practitioners on speech and language provided by training provider Elklan, educational interventions whereby practitioners undertook a range of planned activities to improve language and literacy skills and family trips and events. During the trips and family events, practitioners shared learning strategies and supported families to implement them.

At the end of the project in May 2020, the data shows that children made significant progress because of the project. The total, additional progress of the whole group of 98 participants was 336 months (or 28 years), so each child made an average progress of an additional 3.4 months' development. The EYFS tracking data shows that 70% of children were meeting or exceeding developmental norms in relation to their speaking skills at the end of the project, in comparison with just 45% at the start of the project.

These are notable achievements. This project goes above and beyond our "normal" offer to families and demonstrates the impact and value of undertaking this work.

3 - encouraged parents to become involved in the activities of the nursery;

Until coronavirus at the end of March 2020, our settings welcomed parents, grandparents or carers, without additional charge or condition, to occasional events:

- Theme events e.g. Fathers' Day Breakfasts, Easter 'Carrot' Hunt, and Mothers' Day Afternoon Tea.
- Educational events such as potty training, supporting behaviour and storytelling
- Christmas Fayre and/or Summer Fayre

As part of the two year old project mentioned above, 60 children and family members visited the Science Museum in London, by coach. The families were accompanied by a number of practitioners from the nurseries who supported the event and worked on modelling communication to families.

During the period, 4 of our children's parents served as Trustees.

BOWS AND ARROWS

TRUSTEES' ANNUAL REPORT *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

4 - signposted families to additional support in the best interests of children attending the setting.

This work took on even greater importance from March 2020 when the coronavirus 'lockdown' impacted families, especially vulnerable children and those living in deprivation. We consciously chose to remain open as much as possible to provide support, and have staff working to respond to needs for family support.

We supported children by sensitively signposting parents and carers to

- Local Children's Centres
- GP Surgeries
- Health Visiting Team
- Family Support Workers and Social Workers
- Local support groups including playgroups, SEN or EAL support.
- Families Information service
- Working with other organisations and professions is embedded in our day to day practices as offering families help when needed is an essential and valued part of our work. Data taken in July 2019 identifies that 25% of our children do not speak English as their first language and 20% of the children have extra interventions in their education because of additional needs.

Strategic Progress

The Charity had the following plans in 2018-19 which were progressed in the period as follows:

a) Continuing to improve financial and operational management reporting

This has been progressed with the new software and management procedures implemented, and then called on to conserve the operations in the first months of the pandemic

b) Without unduly affecting quality of provision, to grow the reserves to the levels targeted in the Reserves Policy.

Deposits have grown and further deposits will be prioritised in 2020-21 and 2021-22.

c) To develop the Charity's long-term strategy and subsequently develop the Charity's aims to include more measurable indicators of success or failure

The Board has settled on a broad strategy of 'growth' (to provide more childcare places, including by acquisition) and 'deepening' i.e. seeking funds for family support projects. More detailed planning will begin once coronavirus restrictions are removed.

d) Undertake a review of governance within the Board to ensure that processes are suitable for delivery of the long-term strategy to be defined in c), above.

The Board identified a priority to recruit more Trustees.

FINANCIAL REVIEW

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

BOWS AND ARROWS

TRUSTEES' ANNUAL REPORT *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

Coronavirus

The charity took the following steps to ensure that we could continue as an Ongoing Concern in the first, unsure, months of the pandemic from March 2020

- Quickly flexed the practitioner workforce to match the greatly reduced occupancy in Summer Term. We used the HMRC Coronavirus Job Retention Scheme, within the 'cap' that applied to the Early Years sector, to furlough most practitioners including those who were pregnant and Clinically Extremely Vulnerable. By the end of August 2020, some temporary contracts had been terminated to ensure the workforce matched occupancy expected in the next period.
- We reduced the risk that serious illness/absence in the leadership/administrative capacity would have on the operation by requiring the CEOs and finance and administrative team to work from home
- We successfully pursued a claim through our insurance for business interruption and claimed Small Business grants via Ipswich Borough Council.
- Suffolk County Council continued to fund Summer Term childcare grants
- We temporarily gave the Chief Executives the ability to ensure cashflow by approving access to the Reserves if it were unavoidable. This was not accessed in the period.
- Other spending was quickly reviewed and some expenditure such as coaches and external cleaning, was immediately curtailed.

Financial Position

The results for the year, and the charity's financial position at the end of the year, are shown in the attached financial statements. In the year to 31 August 2020 Bows & Arrows recorded a surplus of £196,305 from operating activities. The increase on 2019-20 can be attributed to very tight management control of the operation in the second half of the year; reductions in expenditure, increased monitoring, decisive implementation of available schemes e.g. furlough, grant applications and pursuance of an insurance claim.

The Charity has unrestricted reserves of £478,334 and restricted reserves of £853,899 at the year ended 31 August 2020.

Significant Financial Risks

We anticipate that the unpredictability of the coronavirus pandemic is expected to continue to suppress occupancy to some degree until September 2021 depending on community transmission levels and Government policy.

Pressures from external funding continue. The charity's main funding provider is Suffolk County Council. Funding rose by only 1.2-1.5% per hour whilst costs such as, National Minimum / Living Wage rose above this. We therefore see it as inevitable that session fees will need to increase each year whilst this continues.

Going forward, there would be significant financial risk in the event of:

- no further increases in the funding rates set annually by Suffolk County Council or national government, or
- a significant change in the Government's Early Years policy e.g. removal of '30 hour funding'.
- the continuing coronavirus pandemic seriously reducing children attendance at nurseries in England

These risks are mitigated by our ability to analyse the position of the charity quickly & respond. The software upgrade in 2019 enabled our response to the pandemic and we continue to improve our administration and management ability. For example, by

- Centralisation of the administration roles currently in nurseries including connectivity and capacity to work from home
- Identifying further administration work to move from Nursery Manager's roles to this central team
- Create a centralised Enquiries function to maximise the occupancy opportunities from income enquiries

BOWS AND ARROWS

TRUSTEES' ANNUAL REPORT *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

Reserves policy

Bows & Arrows holds reserves

- **To protect the continuity of the charity's work** in the event of any sudden, enforced cessation in trading e.g. loss of registration, force majeure, or withdrawal of grant funding from Suffolk County Council. The charity aims to keep 3 months' worth of expenditure for this purpose. At 31 August 2020, this level should be £400,000.
- **To maintain assets when required.** At 31st August 2020 this figure should be £50,000.
- **To provide the capital to deliver our strategic plan.** These are 'opportunistic reserves', set aside to enable the charity to evolve and take advantage of strategic development opportunities. At 31st August 2020, this level is £50,000.

This is a total of £500,000. By dividing the reserves into these levels, the charity is confident that it has considered all the different risks that the charity may face and has adequate money in reserve to deal with them.

A number of factors have been considered by the trustees in setting the level of reserves held by the organisation. These include:

- forecasts for levels of income in future years, taking into account the reliability of each source of income and the prospects for opening up new sources;
- forecasts for expenditure in future years on the basis of planned activity;
- analysis of any future needs, opportunities, contingencies or risks the effects of which are not likely to be able to be met out of income if and when they arise; and
- assessment, on the best evidence reasonably available, of the likelihood of each of those needs etc. arising and the potential consequences for the charity of not being able to meet them.

The aim is to have unrestricted cash reserves to the value of £500,000. Actual reserves at the end of the year are unrestricted reserves of £478,334. Restricted reserves are £847,936 with most of the restricted reserves held as tangible fixed assets.

Good progress has been made in bringing Reserves close to the required levels and the charity continues to consolidate the business of the current nursery settings before embarking on significant future growth.

Principal funding sources

The principal source of funding is the Early Education Funding and the Two-Year-Old Funding. There are other funds which support our work (such as the Disability Access Fund) which are provided by the local authority, Suffolk County Council. The Council oversee the use of the funds and audit the accounts once the funds have been spent.

We also receive a significant income from nursery fees, i.e. money paid to the nurseries by families or other sponsors.

Fundraising Regulator

In the year, fundraising represented less than 1% of income.

The Charity is committed to good fundraising practice and follows the Code of Fundraising Practice. The Charity does not use professional fundraising agencies. No complaints have been registered against the Charity during the year under review.

BOWS AND ARROWS

TRUSTEES' ANNUAL REPORT *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

Investments

The charity has no investments.

PLANS FOR THE FUTURE

Following a number of years of growth, both in terms of available places and nursery sites since 2013, the Charity is planning to undertake the following activities in order to provide a sound foundation and develop a coherent strategy for the long-term pursuit of the Charities' Goal.

1. Without unduly affecting quality of provision, to grow the reserves to the levels targeted in the Reserves Policy.
2. To develop the Charity's long-term strategy of 'growth' and 'deepening' and strive towards measurable indicators of success or failure.
3. Recruit Trustees and undertake a review of governance within the Board to ensure that processes are suitable for delivery of the long-term strategy .

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, the Memorandum and Articles of Association, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisational Structure & Decision Making

Bows and Arrows is a registered charity and a company limited by guarantee and a non-profit making organisation.

We are governed by a Board of Trustees. Trustees are appointed from our client base of parents, representatives from the local community, or representatives from partner organisations.

Our Articles of Association state that "when complete, the Trustees consist of at least three, and not more than 10 individuals". The board of trustees requires breadth and depth of experience to carry out its duties effectively and efficiently. A trustee's most important attribute is the passion for the work that the nurseries undertake. Where possible the charity considers that the skills and experience of the board should comprise the following:

- A trustee with a legal background
- A trustee with a financial/accounting background
- A trustee with educational experience
- A trustee with senior management/business experience
- A trustee with awareness of equal opportunities or disabilities

The trustees meet 4 times a year, with additional meetings as necessary. The Board is responsible for strategic direction, for ensuring proper governance of Bows & Arrows activities and for risk.

Two paid Chief Executives are appointed by the trustees to manage the day-to-day operations of the charity. The Board expects the Chief Executives to take both strategic and operational decisions based on the budget and delegated authorities. The Board expects that all decision making will be within Bows & Arrows objectives and policies.

BOWS AND ARROWS

TRUSTEES' ANNUAL REPORT *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

Recruitment and appointment of new trustees

Potential trustees are briefed about the organisation before joining, and upon acceptance they receive an induction including

- Nursery visits
- Safeguarding Training

Checks are completed on trustees including Criminal Record checks and Suitable Person checks by external organisations.

Key management salaries

Pay at all levels was set in line with the organisational pay structure. Pay for the Chief Executives was decided by the Board.

From time to time, the Trustees form a Remuneration Committee via which to scrutinise the pay & benefits of the most senior employees.

Risk management

Trustees have a prudent attitude to risk and seek to foresee and avoid any major risks to our activity. Medium risks are reviewed regularly at Trustee meetings and management meetings. Risk assessments are completed regularly. These processes have been successful so far in minimising any significant risk to the company and those people that use its services.

BOWS AND ARROWS

TRUSTEES' ANNUAL REPORT *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The trustees (who are also the directors of Bows and Arrows for the purposes of company law) are responsible for preparing the Trustees' 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 year. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any material departures disclosed and explained in the financial statements;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees have overall responsibility for ensuring that the charity has appropriate systems of controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities". They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The charity is operating efficiently and effectively;
- Its assets are safeguarded against unauthorised use or disposition;
- Proper records are maintained and financial information used within the charity or for publication is reliable; and
- The charity complies with relevant laws and regulations.

In accordance with company law, as the company's directors, we certify that:

- so far as we are aware, there is no relevant information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

A resolution to re-appoint Ensors Accountants LLP as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 415 of the Companies Act 2006.

The Trustees' Report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

By order of the board of trustees

Mr J Roberts (Chair)

Approved by the Trustees on 16-MARCH-2021

BOWS AND ARROWS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the financial statements of Bows and Arrows (the 'charitable company') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020, and of its net movement in funds, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report and Financial Statements, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

BOWS AND ARROWS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 11, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

BOWS AND ARROWS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Helen Rumsey (Senior Statutory Auditor)

for and on behalf of Ensors Accountants LLP

Statutory Auditor

Cardinal House

46 St Nicholas Street

Ipswich

Suffolk

IP1 1TT

Dated: 13 May 2021

BOWS AND ARROWS

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING AN INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Income from:							
Donations	3	45,409	146,414	191,823	60,543	82,754	143,297
Charitable activities:	4						
Buttons and Bows		343,070	-	343,070	374,496	-	374,496
Wigwams		328,548	-	328,548	380,725	-	380,725
Triangle		162,911	-	162,911	185,078	-	185,078
Little Learners		329,791	-	329,791	319,743	-	319,743
Wellington Day Care		107,532	-	107,532	123,495	-	123,495
Nature Den		204,350	-	204,350	170,943	-	170,943
Other	5	191,416	-	191,416	-	-	-
Investments	6	143	-	143	179	-	179
Total income		1,713,170	146,414	1,859,584	1,615,202	82,754	1,697,956
Expenditure on:							
Charitable activities:	7						
Buttons and Bows		346,959	30,856	377,815	323,931	36,209	360,140
Wigwams		340,291	16,154	356,445	370,991	13,970	384,961
Triangle		156,140	20,093	176,233	156,238	9,570	165,808
Little Learners		344,130	17,727	361,857	327,184	14,371	341,555
Wellington Day Care		137,542	7,240	144,782	131,713	2,894	134,607
Nature Den		198,693	12,074	210,767	162,626	9,971	172,597
Other		504	34,876	35,380	-	21,440	21,440
Total expenditure		1,524,259	139,020	1,663,279	1,472,683	108,425	1,581,108
Net income/ (expenditure)		188,911	7,394	196,305	142,519	(25,671)	116,848
Transfers between funds		1,431	(1,431)	-	(40,247)	40,247	-
Net movements in funds for the year		190,342	5,963	196,305	102,272	14,576	116,848
Reconciliation of funds:							
Fund balances at 1 September 2019		287,992	847,936	1,135,928	185,720	833,360	1,019,080
Fund balances at 31 August 2020		478,334	853,899	1,332,233	287,992	847,936	1,135,928

All of the above results are derived from continuing activities.

The notes on pages 18 to 33 form part of these financial statements.

BOWS AND ARROWS

BALANCE SHEET

AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	13	882,621	893,089
Current assets			
Debtors	14	60,226	29,807
Cash at bank and in hand		693,766	533,550
		<u>753,992</u>	<u>563,357</u>
Creditors			
Amounts falling due within one year	15	(304,380)	(320,518)
Net current assets		<u>449,612</u>	<u>242,839</u>
Total assets less current liabilities		1,332,233	1,135,928
Creditors			
Amounts falling due after more than one year		-	-
Net assets		<u>1,332,233</u>	<u>1,135,928</u>
Funds	19		
Unrestricted		478,334	287,992
Restricted		853,899	847,936
		<u>1,332,233</u>	<u>1,135,928</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within part 15 of the Companies Act 2006 and with the Charities SORP (FRS 102).

The financial statements were approved by the Board of Trustees on 16-MARCH-21 and were signed on its behalf by:

Mr J Roberts
Trustee

The notes on pages 18 to 33 form part of these financial statements.

Company Registration No. 06784276

BOWS AND ARROWS

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2020

	Note	2020 £	2019 £
Cash flows from operating activities:			
Net cash provided by / (used in) operating activities	22	173,341	406,807
Cash flows from investing activities:			
Interest from investments		143	179
Purchase of tangible fixed assets		(13,268)	(207,661)
Net cash used in investing activities		(13,125)	(207,482)
Net increase / (decrease) in cash and cash equivalents in the year		160,216	199,325
Cash and cash equivalents at the beginning of the year		533,550	334,225
Cash and cash equivalents at the end of the year		693,766	533,550

The notes on pages 18 to 33 form part of these financial statements.

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding period.

Company information

Bows and Arrows is a company limited by guarantee, domiciled and incorporated in England and Wales, registration number 06784276.

Bows and Arrows is a registered Charity, registration number 1129046.

The registered office for the Charity is Wigwams Nursery, Whitton Church Lane, Ipswich, Suffolk, IP1 6LW.

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the 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) and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts are rounded to the nearest £.

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

Going concern

The Charity were quick to react to the potential effects of COVID-19, utilising available grants and an insurance claim, and the Trustees consider that the Charity has sufficient reserves. Whilst the Trustees expect there to be some unpredictability due to COVID-19, in the opinion of the Trustees, the Charity is deemed to be a going concern and will realise its assets and meet its liabilities under the normal course of operations.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objectives of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income, the receipt is probable and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is conditional on the delivery of specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.

Investment income is included when receivable.

Incoming resources from charitable activities are accounted for when earned.

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES *(continued)*

Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered and is reported as part of the expenditure to which it relates.

Expenditure on charitable activities comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of resources (i.e. by nursery setting). Costs relating to these are allocated directly. Other costs such as governance costs are apportioned on an appropriate basis e.g. by revenue generated.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and at bank.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Land and buildings	- 2% on cost
Fixtures, fittings & equipment.	- 10% on cost

Impairment of fixed assets

At each reporting year end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Pensions

The pension costs charged in the accounts represent the contributions payable by the charity during the year.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

1. ACCOUNTING POLICIES *(continued)*

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

Financial instruments

Financial instruments are recognised in the Balance Sheet when the charity becomes party to the contractual provision of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets include trade and other receivables and cash and bank balances. These are initially measured at transaction price, including transaction costs and are subsequently carried at amortised cost using the effective interest method, unless the transaction constitutes a financing transaction, where the transaction is measured at the present value of the future receipts.

Impairment of financial assets

Financial assets are assessed for indicators of impairment each year. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. This impairment is recognised in the SOFA.

De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Classification of financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

Basic financial liabilities

Basic financial liabilities, including trade and other payables, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Trade payables are obligations to pay for goods and services that have been acquired in the ordinary course of operations from suppliers. Accounts payable are classified as a current liability if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are derecognised when, and only when, the charity's obligations are discharged, cancelled, or they expire.

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In application of the accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of revision and future periods where the revision affects both the current and future periods.

Depreciation

The Charity estimates the rates of depreciation used to write down the different classes of assets it owns, based on prior experience of asset lives while taking into consideration any additional circumstances. Once fully depreciated over its useful life the asset should be stated at its residual value or £nil if there is no residual value.

3. DONATIONS

	2020 £	2019 £
Fundraising		
- Buttons and Bows	971	3,694
- Wigwams	695	2,256
- Triangle	161	283
- Little Learners	1,521	1,959
- Wellington	227	536
- Nature Den	720	2,363
SENCO	63,685	48,434
DAF	6,765	3,075
EYPP	13,480	13,714
IOA	23,890	15,925
Deprivation grant	37,747	47,936
Buttons and Bows - Lighting	-	1,606
Reggio	6,910	-
Wingate	6,684	-
PVI	25,000	-
Other	3,367	1,516
	<u>191,823</u>	<u>143,297</u>

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020 £	2019 £
Fees receivable	Buttons and Bows	126,031	153,837
Hot meals	Buttons and Bows	7,961	10,916
Early education grants	Buttons and Bows	209,079	209,743
Fees receivable	Wigwams	146,171	198,811
Hot meals	Wigwams	7,960	8,490
Early education grants	Wigwams	174,417	173,424
Fees receivable	Triangle	24,167	21,907
Hot meals	Triangle	4,051	3,818
Early education grants	Triangle	134,692	159,353
Fees receivable	Little Learners	86,394	108,032
Hot meals	Little Learners	6,864	7,452
Early education grants	Little Learners	236,533	204,259
Fees receivable	Wellington Day Care	58,067	79,169
Hot meals	Wellington Day Care	2,147	2,564
Early education grants	Wellington Day Care	47,318	41,762
Fees Receivable	Nature Den	34,700	21,905
Hot meals	Nature Den	4,218	3,992
Early education grants	Nature Den	165,432	145,046
		<u>1,476,202</u>	<u>1,554,480</u>

5. OTHER INCOME

	2020 £	2019 £
Coronavirus Job Retention Scheme	140,297	-
Insurance Claim	51,119	-
	<u>191,416</u>	<u>-</u>

6. INVESTMENT INCOME

	2020 £	2019 £
Interest Receivable	143	179
	<u>143</u>	<u>179</u>

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

7. EXPENDITURE ON CHARITABLE ACTIVITIES

	Direct Costs	Support Costs	Governance Costs (Note 8)	2020
	£	£	£	£
Buttons and Bows	281,423	90,507	5,885	377,815
Wigwams	260,043	90,472	5,930	356,445
Triangle	119,955	53,312	2,966	176,233
Little Learners	268,922	87,603	5,332	361,857
Wellington Day Care	91,811	50,798	2,173	144,782
Nature Den	149,426	57,997	3,344	210,767
IOA – 2 Year Project	35,380	-	-	35,380
	<u>1,206,960</u>	<u>430,689</u>	<u>25,630</u>	<u>1,663,279</u>

The costs have been allocated to the nursery to which the expenditure relates.

	Direct Costs	Support Costs	Governance Costs (Note 8)	2019
	£	£	£	£
Buttons and Bows	260,793	93,160	6,187	360,140
Wigwams	287,056	90,936	6,969	384,961
Triangle	106,440	56,229	3,139	165,808
Little Learners	247,572	88,792	5,191	341,555
Wellington Day Care	88,371	43,632	2,604	134,607
Nature Den	121,218	48,226	3,153	172,597
IOA – 2 Year Project	21,440	-	-	21,440
	<u>1,132,890</u>	<u>420,975</u>	<u>27,243</u>	<u>1,581,108</u>

The costs have been allocated to the nursery to which the expenditure relates.

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

8. GOVERNANCE COSTS

	Buttons & Bows £	Wigwams £	Triangle £	Little Learners £	Wellington Day Care £	Nature Den £	2020 £	2019 £
Payroll services	1,585	1,832	852	1,598	700	898	7,465	10,563
Accountancy	196	179	98	171	65	106	815	1,330
Legal fees	842	929	385	708	321	573	3,758	3,966
Consultancy fees	639	586	320	560	213	346	2,664	1,800
Auditors' remuneration – non-audit services	435	435	191	348	140	191	1,740	1,740
Auditors' remuneration	2,188	1,969	1,120	1,947	734	1,230	9,188	7,500
Bank charges	-	-	-	-	-	-	-	344
	5,885	5,930	2,966	5,332	2,173	3,344	25,630	27,243

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2020 £	2019 £
Auditors' remuneration – non-audit services	1,740	1,740
Auditors' remuneration	9,188	7,500
Depreciation – owned assets	23,735	25,142
Other operating leases	27,833	31,129

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2020 nor for the period ended 31 August 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 August 2020 or for the year ended 31 August 2019.

11. CORPORATION TAXATION

The charity is exempt from tax on income and gains falling due within Part 11 Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

12. STAFF COSTS

	2020 £	2019 £
Wages & salaries	1,308,828	1,212,347
Social security costs	29,293	43,758
Pension costs	18,126	12,258
	<u>1,356,247</u>	<u>1,268,363</u>

The average number of employees during the period was:

	No.	No.
Management	9	10
Support	92	5
Project workers	0	82
	<u>101</u>	<u>97</u>

No employee earned more than £60,000 during either period.

13. TANGIBLE FIXED ASSETS

	Land & buildings £	Fixtures, fittings & equipment £	Total £
COST			
At 1 September 2019	1,049,525	53,549	1,103,074
Additions	6,627	6,641	13,268
Disposals	-	-	-
At 31 August 2020	<u>1,056,151</u>	<u>60,192</u>	<u>1,116,343</u>
DEPRECIATION			
At 1 September 2019	165,814	44,171	209,985
Charge for the year	21,106	2,630	23,735
Elimination on disposal	-	-	-
At 31 August 2020	<u>186,919</u>	<u>46,803</u>	<u>233,722</u>
NET BOOK VALUE			
At 31 August 2020	<u>869,232</u>	<u>13,389</u>	<u>882,621</u>
At 1 September 2019	<u>883,711</u>	<u>9,378</u>	<u>893,089</u>

Land and buildings comprise long leasehold properties.

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade Debtors	12,106	10,708
Other Debtors	48,120	19,099
	<u>60,226</u>	<u>29,807</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade Creditors	17,259	31,587
Deferred income	220,257	228,594
Other Creditors	66,864	60,337
	<u>304,380</u>	<u>320,518</u>

16. DEFERRED INCOME

	2020	2019
	£	£
Balance brought forward	228,594	27,165
Amount released to income earned from charitable activities	(228,594)	(27,165)
Amount deferred in period	<u>220,257</u>	<u>228,594</u>
Carried forward	<u>220,257</u>	<u>228,594</u>

17. OPERATING LEASE COMMITMENTS

At 31 August the Charity had annual commitments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Expiring:		
Within one year	410	314
Between one and five years	-	-
	<u>410</u>	<u>314</u>

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	2020 Total funds £
Fixed Assets	52,482	830,139	882,621
Current Assets	730,232	23,760	753,992
Current Liabilities	(304,380)	-	(304,380)
Long Term Liabilities	-	-	-
	<u>478,334</u>	<u>853,899</u>	<u>1,332,233</u>

Prior year comparative

	Unrestricted funds £	Restricted funds £	2019 Total funds £
Fixed Assets	46,759	846,330	893,089
Current Assets	561,751	1,606	563,357
Current Liabilities	(320,518)	-	(320,518)
Long Term Liabilities	-	-	-
	<u>287,992</u>	<u>847,936</u>	<u>1,135,928</u>

19. MOVEMENT IN FUNDS

	At 1 September 2019 £	Net movement in funds £	At 31 August 2020 £
Unrestricted Funds			
General Fund	275,454	200,242	475,696
Fundraising	6,920	(5,893)	1,027
Deprivation funds	-	-	-
Special deprivation fund	5,618	(4,007)	1,611
	<u>287,992</u>	<u>190,342</u>	<u>478,334</u>
Restricted Funds			
Buttons & Bows – Capital	302,169	(7,586)	294,583
Buttons & Bows - Lighting	1,606	-	1,606
Wigwams – Capital	309,927	(7,781)	302,146
Little Learners – Capital	234,234	(824)	233,410
IOA – 2 year project	-	-	-
PVI – ELSA	-	11,570	11,570
PVI – PD day	-	10,584	10,584
	<u>847,936</u>	<u>5,963</u>	<u>853,899</u>
TOTAL FUNDS	<u>1,135,928</u>	<u>196,305</u>	<u>1,332,233</u>

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

19. MOVEMENT IN FUNDS – continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Transfers £	Movement in funds £
Unrestricted Funds				
General fund	1,671,128	(1,470,682)	(204)	200,242
Fundraising	4,295	(10,188)	-	(5,893)
Deprivation	37,747	(39,382)	1,635	-
Special deprivation	-	(4,007)	-	(4,007)
	<u>1,713,170</u>	<u>(1,524,259)</u>	<u>1,431</u>	<u>190,342</u>
Restricted Funds				
Buttons & Bows – Capital	-	(7,586)	-	(7,586)
Buttons & Bows - Lighting	-	-	-	-
Buttons & Bows - EYPP	3,299	(3,299)	-	-
Buttons & Bows - DAF	1,845	(1,845)	-	-
Buttons & Bows – SENCO	18,126	(18,126)	-	-
Wigwams – Capital	-	(7,781)	-	(7,781)
Wigwams – EYPP	1,668	(1,668)	-	-
Wigwams – DAF	2,460	(2,460)	-	-
Wigwams – SENCO	4,246	(4,246)	-	-
Triangle – EYPP	2,718	(2,718)	-	-
Triangle – DAF	615	(615)	-	-
Triangle – SENCO	16,760	(16,760)	-	-
Little Learners – Capital	-	(4,847)	4,023	(824)
Little Learners – Forest School	-	-	-	-
Little Learners - EYPP	2,415	(2,415)	-	-
Little Learners - DAF	615	(615)	-	-
Little Learners - SENCO	9,850	(9,850)	-	-
Wellington Day Care – SENCO	6,577	(6,577)	-	-
Wellington Day Care – Forest School	-	-	-	-
Wellington Day Care – Sand Shed	-	-	-	-
Wellington Day Care – EYPP	663	(663)	-	-
Nature Den – EYPP	2,717	(2,717)	-	-
Nature Den - DAF	1,230	(1,230)	-	-
Nature Den - SENCO	8,126	(8,126)	-	-
IOA – 2 Year Project	23,890	(18,436)	(5,454)	-
Reggio	6,910	(6,910)	-	-
Wingate	6,684	(6,684)	-	-
PVI – ELSA	12,500	(930)	-	11,570
PVI – PD day	12,500	(1,916)	-	10,584
	<u>146,414</u>	<u>(139,020)</u>	<u>(1,431)</u>	<u>5,963</u>
TOTAL FUNDS	<u>1,859,584</u>	<u>(1,663,279)</u>	<u>-</u>	<u>196,305</u>

Fund transfers:

- £5,454 transferred to the Unrestricted General fund from the IOA 2 Year Project fund, to offset amounts transferred from the unrestricted fund to offset the deficit in the prior year.
- £1,635 transferred from the Unrestricted General fund to clear the deficit in the Deprivation unrestricted fund.
- £4,023 transferred from the Unrestricted General fund to the Little Learners capital fund for additional costs above the grant received for the Forest School building.

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

19. MOVEMENT IN FUNDS – continued

Prior year comparative

	At 1 April 2018 £	Net movement in funds £	At 31 August 2019 £
Unrestricted Funds			
General Fund	180,813	94,641	275,454
Fundraising	4,907	2,013	6,920
Deprivation funds	-	-	-
Special deprivation fund	-	5,618	5,618
	185,720	102,272	287,992
Restricted Funds			
Buttons & Bows – Capital	309,965	(7,796)	302,169
Buttons & Bows - Lighting	-	1,606	1,606
Wigwams – Capital	318,714	(8,787)	309,927
Little Learners – Capital	30,659	203,575	234,234
Little Learners – Forest School	174,004	(174,004)	-
Wellington Day Care – Forest School	(982)	982	-
Wellington Day Care – Sand Shed	1,000	(1,000)	-
IOA	-	-	-
	833,360	14,576	847,936
TOTAL FUNDS	1,019,080	116,848	1,135,928

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

19. MOVEMENT IN FUNDS – continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Transfers £	Movement in funds £
Unrestricted Funds				
General fund	1,556,174	(1,456,939)	(4,594)	94,641
Fundraising	11,092	(9,079)	-	2,013
Deprivation	32,537	(3,291)	(29,246)	-
Special deprivation	15,399	(3,374)	(6,407)	5,618
	<u>1,615,202</u>	<u>(1,472,683)</u>	<u>(40,247)</u>	<u>102,272</u>
Restricted Funds				
Buttons & Bows – Capital	-	(7,796)	-	(7,796)
Buttons & Bows - Lighting	1,606	-	-	1,606
Buttons & Bows - EYPP	3,147	(3,147)	-	-
Buttons & Bows - DAF	615	(615)	-	-
Buttons & Bows – SENCO	24,651	(24,651)	-	-
Wigwams – Capital	-	(8,787)	-	(8,787)
Wigwams – EYPP	1,073	(1,073)	-	-
Wigwams – DAF	-	-	-	-
Wigwams – SENCO	4,109	(4,109)	-	-
Triangle – EYPP	2,087	(2,087)	-	-
Triangle – DAF	615	(615)	-	-
Triangle – SENCO	6,869	(6,869)	-	-
Little Learners – Capital	-	(4,086)	207,661	203,575
Little Learners – Forest School	-	-	(174,004)	(174,004)
Little Learners - EYPP	3,758	(3,758)	-	-
Little Learners - DAF	1,230	(1,230)	-	-
Little Learners - SENCO	5,297	(5,297)	-	-
Wellington Day Care – SENCO	1,801	(1,801)	-	-
Wellington Day Care – Forest School	-	-	982	982
Wellington Day Care – Sand Shed	-	1,093	93	(1,000)
Nature Den - EYPP	3,649	(3,649)	-	-
Nature Den - DAF	615	(615)	-	-
Nature Den - SENCO	5,707	(5,707)	-	-
IOA – 2 Year Project	15,925	(21,440)	5,515	-
	<u>82,754</u>	<u>(108,425)</u>	<u>40,247</u>	<u>14,576</u>
TOTAL FUNDS	<u>1,697,956</u>	<u>(1,581,108)</u>	<u>-</u>	<u>116,848</u>

Fund transfers:

- £174,004 transferred from the Little Learners Forest School fund to the Little Learners Capital fund for expenditure on the Forest School building completed during the year.
- £33,657 transferred from the Unrestricted General fund to Little Learners capital fund for additional cost above the grant for the Forest School building completed during the year.
- £6,590 transferred from the Unrestricted General fund to the Wellington Day Care Forest School fund, Sand Shed fund and IOA 2 Year Project fund, to offset amounts overspent during the year.
- £35,653 transferred from the Deprivation and Special Deprivation unrestricted fund to the Unrestricted General fund for amounts unused in the year therefore included as general funds.

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

19. MOVEMENT IN FUNDS – continued

The income funds of the charity include restricted funds comprising the following grants held on trust for specific purposes:

Special Education Needs Coordinator (SENCO)

Grants given to the nursery to fund the work of the SENCO in supporting children registered at the nurseries who have additional needs. The money is provided by Suffolk County Council.

Wellington Day Care Sand Shed

A grant provided by the 2018/2019 Ipswich Councillors locality budget. The Nursery applied for the grant for a new Sand Shed which the children will have free flow access to all year round, situated in the garden area.

Forest School (Wellington)

A grant provided by Awards for All to fund a project linked to Forest Schools. The project pays for a practitioner to obtain a level 3 qualification in Forest Schools at Wellington Nursery. The grant also pays for the purchase of waterproof clothing for children and the development of a mud kitchen in their garden area.

Forest School (Little Learners)

A grant provided by Suffolk County Council for the building of a purpose-made dwelling on the same site for the Forest Learners nursery. This Nursery enables children to be outdoors experiencing Forest school sessions every day, whatever the weather. Run by a qualified Forest school Practitioner, the majority of children's learning and play will be done outside in nearby Landseer Park utilising the many natural resources available.

Early Years Pupil Premium (EYPP)

The Early Years Pupil Premium (EYPP) is additional funding from DfE, via Suffolk County Council, for Early Years providers to help them improve the education they provide for disadvantaged 3 and 4 year-olds.

Disability access fund (DAF)

This is funding from DfE, via Suffolk County Council, for 3- or 4-year-olds who receive disability living allowance (DLA).

Ipswich Opportunity Area ('IOA') – 2 Year Project

Evidence Based Practice Fund – 12 month project for all six nurseries to improve literacy, communication and language outcomes, as defined by the Early Years Foundation Stage, for children aged 2 years old. To lessen the gap between the disadvantaged children and their peers. Funded by the Ipswich Opportunity Area.

Ipswich Opportunity Area - Reggio Emilia Study Visit (Facilitating Links Funding)

Funds provided by Ipswich Opportunity Area to support schools and other education settings within the Ipswich Opportunity Area to visit education settings outside of Ipswich to share learning and best practice. Funds are for training and accommodation costs to send three employees to Italy for one weeks training in March 2020. The training was postponed due to COVID 19.

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

19. MOVEMENT IN FUNDS – continued

Ipswich Opportunity Area - Wingate Study Visit (Facilitating Links Funding)

Funds provided by Ipswich Opportunity Area to support schools and other education settings within the Ipswich Opportunity Area to visit education settings outside of Ipswich to share learning and best practice. Funds are for training and accommodation costs to send 10 employees to County Durham for one days training in Spring Term 2020.

Ipswich Opportunity Area - PVI 'Emotional Literacy Support Assistant (ELSA) Training'

Professional Development Fund. A training grant of up to £4000 per early years setting to develop the workforce in line with Ipswich Opportunity Area aims. This element of the funding was to provide Emotional Literacy Support Assistant (ELSA) training for six staff.

Ipswich Opportunity Area - PVI 'Professional Development Day'

Professional Development Fund. Funds of £10,456 provided by the Ipswich Opportunity Area to provide an inspiring one-day conference for all Bows and Arrows staff on the Professional Development Day in April 2020. The Conference will provide training and workshops on physical and mental health. The training was postponed due to COVID 19.

20. PENSION COMMITMENTS

The Charity operates a group personal pension scheme, the assets of which are held in an independently administered fund. Employer's contributions paid during the year amounted to £18,126 (2019: £12,258).

21. RELATED PARTY TRANSACTIONS

The following related party transactions occurred during the year, totalling £13,899 (2019: £30,731), all of which were on an arm's length basis:

- Mrs H Cotton, Miss N Bedford, Mrs F Rouane and Mr J Lewis (trustees) used the childcare services of the Charity.
- The Charity made purchases of £252 during the year from a company of which a member of key management is a director.
- The wife of Mr Roberts, a trustee, was employed by the Charity during the 2019 financial year.

The remuneration of key management for the year was £66,300 (2019: £56,154).

BOWS AND ARROWS

NOTES TO THE FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 AUGUST 2020

22. RECONCILIATION OF NET INCOME / (EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income / (expenditure) for the year	196,306	116,848
Adjustments for:		
Depreciation charge	23,735	25,142
Profit/Loss on disposal of fixed asset	-	-
Interest from investments	(143)	(179)
(Increase) / decrease in debtors	(30,419)	(14,114)
Increase / (decrease) in creditors	(16,138)	279,110
	<u>173,341</u>	<u>406,807</u>

23. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee. Each of the members has undertaken to contribute an amount not exceeding £10 towards the assets of the company in the event of the same being wound up, while he or she is a member, or within one year after he or she ceases to be a member, and the assets being insufficient to cover the company's debts and liabilities.

24. ULTIMATE CONTROLLING PARTY

The Charity is controlled by the trustees who form the board of directors.