

WAKOOS CENTRE4CHILDREN LTD.

Trustee's Report 2023/2024

WAKOOS Centre4Children Ltd. is a charitable company that operates across two main leased nursery sites in West Sussex. A third smaller site is leased on a short-term basis at certain times of the day to provide additional capacity for our Billingshurst out-of-school provision.

- 1) Billingshurst (located in the Children and Family Centre building)
- 2) Petworth (located on the Petworth Primary School site)
- 3) Billingshurst Women's Hall (High St, Billingshurst)

Each site is registered with OFSTED and runs a breakfast club, day nursery, afterschool club and holiday club; providing flexible, affordable childcare for children aged 3 months to 11 years old.

Charity registration number: 1137968

Company registration number: 7180968

Registered office: Wakoos Centre4Children Ltd., Station Road, Billingshurst, RH14 9RY

Banker: Barclays, 2 Carfax, Horsham, RH12 1DN

Independent Examiner: Galloways Chartered Accountants, 30 New Road, Brighton, East Sussex, BN1 1BN

Objectives and Aims

WAKOOS Centre4Children Ltd. ('Wakoos', 'the Charity') is a not-for-profit organisation which invests in staff and resources to benefit the delivery of quality childcare for the local area. We aim to offer more affordable and flexible childcare in comparison with other local commercial childcare providers.

The Charity, its staff and trustees consider Wakoos to be a vital part of the local community and are committed to both continuing and improving our childcare provision whenever possible. Surveys are also sent out to staff and parents/carers to gain feedback and help achieve this objective. We want Wakoos to be an enjoyable, rewarding place to work and as well as providing a vital childcare service, and, in accordance with the EYFS statutory framework, our nurseries also continue to offer practical early years support and advice to families wherever possible.

Our main aims are to:

- Encourage the emotional, social, physical, creative and intellectual development of children.
- Encourage children to have positive attitudes, develop confidence and self-esteem.
- Provide a safe learning and play environment that stimulates each child's imagination.
- Help parents achieve a work-life balance, by offering flexible, affordable hours, both during the daytime and as school wraparound care.
- Help to reduce fees where possible by accepting Nursery Vouchers, the Childcare Account scheme and assisting with providing information for Working Family Tax Credits and government free entitlement funding.
- Employ and retain motivated and dedicated staff who are either fully qualified nursery practitioners or support them in working towards childcare qualifications.
- Create a friendly, supportive, enjoyable workplace for our employees to care for children.

Diversity in Childcare

Wakoos is fully inclusive and our childcare provision is available to all children whatever their race, culture, religion, means or ability. We continue to accept children who are eligible for both 2 and 3-year-old universal and extended funding and work in partnership with Integrated Prevention and Earliest Help, accepting referrals for children who may be vulnerable learners.

Partnerships

To help achieve our charitable aims, we have partnerships with other front line agencies including health visitors, educational psychologists, community paediatricians, social services and speech and language therapists. Our staff prepare individual support plans for children with special educational needs and provide support to parents whose children are going through the statutory process for Education, Health and Care Assessments/Plans and Early Help Assessments

Wakoos also works in partnership with West Sussex County Council's Early Childhood Services, benefiting from the support of an Early Years Advisor. Additionally, we work with the local primary schools to reflect their teaching methods and ensure a smooth transition for children.

Wakoos offers work experience to students, this includes trainees from local colleges and schools; government-funded training provision (Babcock and Brighter Horizons); and also supports students studying for higher qualifications such as the EYT.

Forest School – Known as “Wakoos in the Woods.”

Due to staffing shortages, we have sadly had to end our provision of a forest school option as part of the services we offer our children. We believe forest school provides a valuable additional element to the regular childcare provision and is something we would hope to offer again in the future.

Achievements and Performance

Both our nursery sites continue to operate as successful nurseries with many local children and their families benefiting greatly from the flexible, affordable childcare that we provide. There are still very

few alternative providers in the local area that offer the equivalent year-round care that we deliver, and we are the sole provider of out-of-school wraparound care for our local primary schools. We will continue to seek improvements and expansion to our provision where possible, but have been constrained recently due to the industry wide staffing shortages. We are constantly reviewing the benefits we offer our employees to make our charity an enjoyable rewarding place to work. We continue to invest surplus funds into staff training and refreshing the nursery environment, equipment and resources in order to continue providing this vital service to the community.

Significant activities/ milestones

Ofsted inspection at Billingshurst Women's Hall site (Standards Met) – December 2023

Ofsted inspection at Petworth nursery (Good rating) – January 2024

New area management support role created (part time)- January 2024

New deputy managers in place at both sites

Playground equipment in Petworth outdoor area replaced with new structure – September 2023

Numerous new resources purchased to refresh equipment and environment at both sites

Other notable achievements in meeting our charity's objectives include:

- Managed to remain open with only limited disruption despite the industry wide staff shortages
- Once again held several small fundraising events throughout the year at both sites; raising additional funds and engaging families and the local community
- Continued excellent transition for young children moving on to our local primary schools
- A high percentage of children continue to meet and exceed age related expectations
- Supported vulnerable children and families within the setting through partnership working
- Conducted staff training sessions, both online and in person at a whole day cross-site training day (held on an INSET day). We intend to repeat this next year.
- Continued to receive referrals from outside agencies to support vulnerable families
- Continued to offer government funded places and benefit from high demand with no marketing required

Challenges

Staffing levels, recruitment and retention has been the main challenge facing us (and the wider industry sector) during the last financial year. Contingency plans have had to be put into place on occasion in order to maintain the required staff:child ratios. This in turn has put pressure on the management teams who have had to spend increased amounts of time 'on the floor' instead of completing other office related management tasks. However, the new nursery managers (from

December 2022) have now settled into their roles, with the Petworth nursery now back to a 'Good' OFSTED rating. We have also created a new area support manager role (a highly qualified manager to provide support with management tasks and feedback progress and issues to the trustees). This is also the first full year of having an admin assistant in place, and this has proved extremely helpful with office tasks and in supporting our Business/Finance manager. We continue to encourage the sharing of knowledge, training and staff resources between our sites in order to increase efficiency and minimise the impact of staff shortages.

Financial Review

Overview

Wakoos continues in a good financial position and is well placed to continue its aims of providing affordable, flexible childcare services to the local community. The following points are the main changes that have affected our finances during this financial year:

- The National Living Wage increase of 92p per hour (9.7%) from April 2023 has increased our staff salaries. However, due to staff shortages continuing at our nurseries throughout the year, the full cost of these increases is still not yet felt. Another large NLW increase (circa 10%) was also announced for April 2024 which now includes all aged 21+ which will impact our costs going forward.
- Our fees were increased in April 2023 to compensate for the large increase in minimum wage and therefore our salaries.
- Government announced an expansion of its Free Entitlement Funding programme from April 2024 which is good news and will hopefully increase our future income for the funded places. However, the benefit of this will not be felt until later in the 2024-2025 year.

Reserves

In line with guidance issued by the Charity Commission, the Trustees regularly review the Charity's need for reserves. The Trustees have a policy for keeping a reserve amount which may be needed for any unexpected site maintenance costs and the costs incurred, including redundancies, should the Charity need to be wound down. The current balance of reserves stands at **£151,249.31**.

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The current risks identified that may affect the finances of the charity going forward are:

- Recruitment continues to be difficult and there is a widespread lack of staff across the industry. Staff shortages put strain on our resources and management teams.
- The government hourly funding provision for 2 & 3 yr olds has been very low and doesn't fully cover the cost of providing free entitlement hours. There are plans for this to gradually increase from April 2024, but its effect will take a while to be felt. The extremely late notice of the government funding changes also makes it difficult to plan ahead.
- As the sole occupier of the Billingshurst Children and Family, obtaining the required building maintenance from our landlord is still very difficult. We have delayed maintenance cost increases as much as possible future lease changes would likely increase some of our maintenance costs in the future.
- The possibility of fraud continues to exist and has been highlighted by a series of scam calls to the nursery (April 2024). Although no money was gained by the attempted fraud, it did cause some distress to our employees involved.

To help mitigate or limit the impact of these risks:

- We are constantly exploring ways (financial and otherwise) of improving staff recruitment, retention and morale. Eg employee benefits such as number of leave days available.
- We will continue to review staff salaries each April to ensure they remain competitive. We will increase our fees if needed to ensure our outgoings are covered.
- We will continue to review the government hourly funding received and the number of funded places we are able to offer. We are hoping future changes will be in our favour.
- We will seek to negotiate and limit our liability for maintenance under any future leases. We have already received building survey reports to back up our position.
- Scam calls were reported to the police and Action Fraud. Systems, passwords, security procedures have been updated on the advice of Action Fraud and an IT specialist, and our bank has been updated with the latest trustee details. We have also written a new Anti-Fraud policy and discussed the attempted fraud during several of our committee meetings, which has raised everyone's awareness of the possibility of fraud going forward.

Organisational Structure

Organisational structure – Billingshurst

Wakoos Billingshurst is open Monday to Friday 07.30-18.00 for 51 weeks a year.

The nursery is approved to provide places for up to 60 children as well as offering an additional 40 places for an After School Club and Breakfast Club. The building was purpose built for childcare facilities and has two main rooms for different age groups (3mths to 2years and 2years to 5years). The two rooms are further set up into 'workshop' areas. We encourage free flow within the nursery so that the children can independently access and explore all of the different resources, and also the outside areas. There are separate outside garden areas for each room, with the older age group having access to the larger, open plan space with fixed play equipment including climbing frames, sandpit, mud kitchen and some natural vegetative areas. This greatly enhances their learning environment allowing imaginative play and gross motor skill development.

As well as the main day nursery, Wakoos runs a Breakfast and After School Club for reception-age children up until the age of 11. At the nursery site, we use a separate room for this club with a dedicated outside enclosed space with a range of play equipment. We also use an additional capacity site (at Billingshurst Women's Hall) for some of our older Afterschool Club children and also a Holiday Club during school holidays. This also benefits from an indoor and outdoor space to provide creative opportunities and the learning of new skills. Staff at the clubs engage children with a full range of activities such as art and craft, sports and trips within the local area.

Billingshurst Staff Breakdown: -

Level 6 Practitioner	1
Level 5 Practitioner	1
Level 4 Practitioner	0
Level 3 early years practitioner	6
Level 2 early years practitioner	1
Unqualified Staff	8 (2 working towards qualification)

Support staff: -

Kitchen staff	2
Office Staff	2
Bank staff	4
Cleaner	2
Total	27

Organisational structure – Petworth

Wakoos Petworth is open Monday to Friday 07.30-18.00 for 51 weeks a year.

The nursery is approved to provide places for a total of up to 65 children aged between 3 months and 11 years. This includes an After School Club and Breakfast Club provision. We work closely with the adjacent Petworth Primary School and the majority of the children attending our setting will feed into this school. Children here are also divided across 2 rooms depending on their age. There is a courtyard garden area with recently updated outdoor play equipment, a sand pit and we also have access to some of the primary school outside area. We have a separate room with its own facilities for the Breakfast Club and After School Club which is adjacent to the courtyard garden area. We are a one storey building which is fully accessible for disabled users.

Petworth Staff Breakdown: -

Level 5	1
Level 3	6
Level 2	2
Unqualified	2

Support staff: -

Kitchen staff	1
Bank staff Level 3	1
Cleaner	1
Total	14

Totalling 41 staff across both sites.

Occasionally staff are temporarily transferred between sites to provide necessary cover. This is allowed for in their contract of employment.

Wakoos follows the OFSTED Safer Recruiting policy. All staff have DBS checks and have attended the mandatory training within their first 6 months of employment or have a current qualification and good understanding of the mandatory training.

Governance and Management

WAKOOS Centre4Children Ltd. is a Charitable Company Limited by Guarantee, with an Articles of Association as its governing document. Wakoos is led by a committee of trustees who have regard to The Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

The committee of trustees is currently made up of six members, two of whom are elected to hold specific roles (Chair, Treasurer). All trustee names are recorded on the Committee Register and are presented at the Charity's Annual General Meeting (AGM), which normally takes place each November. At each AGM, the elected officer roles are voted on for the following year.

The trustees are all volunteers, mostly parents from local families who use their local and professional knowledge for the benefit of the Charity. The committee continues to advertise regularly for the recruitment of new trustees. As most of our trustees are parents of children attending our nurseries, we usually have a relatively high turnover as these children grow older and move on to school. We are likely to have some of our trustees stepping down during the next year, so we will be actively recruiting to ensure committee numbers remain sufficient.

We provide all new members with a 'Committee Welcome Pack' which is updated regularly with background Charity Commission Trustee guidance and also an induction from the Chairperson, including a familiarity with the Charity's procedures, documents and confidentiality requirements. All trustees are required to have an enhanced DBS check, agree to our Trustee Code of Conduct and are subject to additional checks as required by OFSTED.

The members of the Committee of Trustees who have held office during the 2023/24 year and to the date of submitting this report are as follows:

Jean Brown
Hayley Colligan
Eloise Denchfield
Nicole Francis
Heather Ramiz (resigned April 2024)
Stephen Robinson
Melita Shall (appointed March 2024)
Stephen Tarr (resigned November 2023)
Victoria Worsfold (resigned June 2024)

The above trustees all operate on a voluntary basis and therefore no remuneration or pay has been provided for their time. The Trustees volunteer their time freely and all allowable expenses such as travel and DBS checks have been disclosed in the accounts where applicable.

Nursery management team

The Trustees hold meetings with the Wakoos nursery management team most months in order to assist with decision making and direct the business. The nursery management team are employed by the Charity to operate the nurseries and manage the day to day running of the business. The management team consists of a Business/Finance manager, a Nursery Manager for each site (along with deputies), an area Support Manager and an admin assistant.

The pay of the nursery management team and other staff is reviewed by the Trustees annually each April, which usually coincides with reviewing our nursery fees. Our fees and employee pay is also regularly benchmarked against other similar organisations in the locality as part of the annual pay review.

SUMMARY

We would once again like to thank all our hardworking staff who continue to work through many challenges, especially in times of staff shortages, to ensure Wakoos meets its charitable aims of providing high quality, affordable childcare for the local community. We also thank our Trustees for volunteering their time to assist the management teams and who dedicate themselves to the ongoing success of Wakoos.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of Trustees on

..... and signed on its behalf by:

REGISTERED COMPANY NUMBER: 07180968 (England and Wales)
REGISTERED CHARITY NUMBER: 1137968

**REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024
FOR
WAKOOS CENTRE4CHILDREN LTD**

Galloways Accounting
Statutory Auditor
Atlas Chambers
33 West Street
Brighton
East Sussex
BN1 2RE

WAKOOS CENTRE4CHILDREN LTD
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FOR THE YEAR ENDED 31 MARCH 2024

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

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 March 2024. The trustees have adopted the provisions of 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 2019).

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OBJECTIVES AND ACTIVITIES

Objectives and aims

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Diversity in Childcare:

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Partnerships:

To help achieve our charitable aims, we have partnerships with other front line agencies including health visitors, educational psychologists, community paediatricians, social services and speech and language therapists. Our staff prepare individual support plans for children with special educational needs and provide support to parents whose children are going through the statutory process for Education, Health and Care Assessments/Plans and Early Help Assessments.

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Forest School - Known as "Wakoos in the Woods.":

Due to staffing shortages, we have sadly had to end our provision of a forest school option as part of the services we offer our children. We believe forest school provides a valuable additional element to the regular childcare provision and is something we would hope to offer again in the future.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

OBJECTIVES AND ACTIVITIES

Significant activities/milestones

Ofsted inspection at Billingshurst Women's Hall site (Standards Met) - December 2023

Ofsted inspection at Petworth nursery (Good rating) - January 2024

New area management support role created (part time) - January 2024

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Numerous new resources purchased to refresh equipment and environment at both sites

Public benefit

The main activities of the charity are undertaken to further the purposes for the public benefit.

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.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Both our nursery sites continue to operate as successful nurseries with many local children and their families benefiting greatly from the flexible, affordable childcare that we provide. There are still very few alternative providers in the local area that offer the equivalent year-round care that we deliver, and we are the sole provider of out-of-school wraparound care for our local primary schools. We will continue to seek improvements and expansion to our provision where possible, but have been constrained recently due to the industry wide staffing shortages. We are constantly reviewing the benefits we offer our employees to make our charity an enjoyable rewarding place to work. We continue to invest surplus funds into staff training and refreshing the nursery environment, equipment and resources in order to continue providing this vital service to the community.

Other notable achievements in meeting our charity's objectives include:

- Managed to remain open with only limited disruption despite the industry wide staff shortages
- Once again held several small fundraising events throughout the year at both sites; raising additional funds and engaging families and the local community
- Continued excellent transition for young children moving on to our local primary schools
- A high percentage of children continue to meet and exceed age related expectations
- Supported vulnerable children and families within the setting through partnership working
- Conducted staff training sessions, both online and in person at a whole day cross-site training day (held on an INSET day). We intend to repeat this next year.
- Continued to receive referrals from outside agencies to support vulnerable families
- Continued to offer government funded places and benefit from high demand with no marketing required

Challenges:

Staffing levels, recruitment and retention has been the main challenge facing us (and the wider industry sector) during the last financial year. Contingency plans have had to be put into place on occasion in order to maintain the required staff:child ratios. This in turn has put pressure on the management teams who have had to spend increased amounts of time 'on the floor' instead of completing other office related management tasks. However, the new nursery managers (from December 2022) have now settled into their roles, with the Petworth nursery now back to a 'Good' OFSTED rating. We have also created a new area support manager role (a highly qualified manager to provide support with management tasks and feedback progress and issues to the trustees). This is also the first full year of having an admin assistant in place, and this has proved extremely helpful with office tasks and in supporting our Business/Finance manager. We continue to encourage the sharing of knowledge, training and staff resources between our sites in order to increase efficiency and minimise the impact of staff shortages.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

FINANCIAL REVIEW

Financial Overview

Wakoos continues in a good financial position and is well placed to continue its aims of providing affordable, flexible childcare services to the local community. The following points are the main changes that have affected our finances during this financial year:

- The National Living Wage increase of 92p per hour (9.7%) from April 2023 has increased our staff salaries. However, due to staff shortages continuing at our nurseries throughout the year, the full cost of these increases is still not yet felt. Another large NLW increase (circa 10%) was also announced for April 2024 which now includes all aged 21+ which will impact our costs going forward.
- Our fees were increased in April 2023 to compensate for the large increase in minimum wage and therefore our salaries.
- Government announced an expansion of its Free Entitlement Funding programme from April 2024 which is good news and will hopefully increase our future income for the funded places. However, the benefit of this will not be felt until later in the 2024-2025 year.

Reserves

In line with guidance issued by the Charity Commission, the Trustees regularly review the Charity's need for reserves. The Trustees have a policy for keeping a reserve amount which may be needed for any unexpected site maintenance costs and the costs incurred, including redundancies, should the Charity need to be wound down. The current balance of reserves stands at £291,603.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is a company limited by guarantee having been incorporated on 6 March 2010. It is also a registered charity (number 1137968), and is governed by its Memorandum and Articles of Association dated 6 March 2010.

Recruitment and appointment of new trustees

WAKOOS Centre4Children Ltd. is a Charitable Company Limited by Guarantee, with an Articles of Association as its governing document. Wakoos is led by a committee of trustees who have regard to The Charity Commission's public benefit guidance when exercising any powers or duties to which the guidance is relevant.

The committee of trustees is currently made up of six members, two of whom are elected to hold specific roles (Chair, Treasurer). All trustee names are recorded on the Committee Register and are presented at the Charity's Annual General Meeting (AGM), which normally takes place each November. At each AGM, the elected officer roles are voted on for the following year.

The trustees are all volunteers, mostly parents from local families who use their local and professional knowledge for the benefit of the Charity. The committee continues to advertise regularly for the recruitment of new trustees. As most of our trustees are parents of children attending our nurseries, we usually have a relatively high turnover as these children grow older and move on to school. We are likely to have some of our trustees stepping down during the next year, so we will be actively recruiting to ensure committee numbers remain sufficient.

We provide all new members with a 'Committee Welcome Pack' which is updated regularly with background Charity Commission Trustee guidance and also an induction from the Chairperson, including a familiarity with the Charity's procedures, documents and confidentiality requirements. All trustees are required to have an enhanced DBS check, agree to our Trustee Code of Conduct and are subject to additional checks as required by OFSTED.

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2024

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

Organisational structure - Billingshurst

Wakoos Billingshurst is open Monday to Friday 07.30-18.00 for 51 weeks a year.

The nursery is approved to provide places for up to 60 children as well as offering an additional 40 places for an After School Club and Breakfast Club. The building was purpose built for childcare facilities and has two main rooms for different age groups (3mths to 2years and 2years to 5years). The two rooms are further set up into 'workshop' areas. We encourage free flow within the nursery so that the children can independently access and explore all of the different resources, and also the outside areas. There are separate outside garden areas for each room, with the older age group having access to the larger, open plan space with fixed play equipment including climbing frames, sandpit, mud kitchen and some natural vegetative areas. This greatly enhances their learning environment allowing imaginative play and gross motor skill development.

As well as the main day nursery, Wakoos runs a Breakfast and After School Club for reception-age children up until the age of 11. At the nursery site, we use a separate room for this club with a dedicated outside enclosed space with a range of play equipment. We also use an additional capacity site (at Billingshurst Women's Hall) for some of our older Afterschool Club children and also a Holiday Club during school holidays. This also benefits from an indoor and outdoor space to provide creative opportunities and the learning of new skills. Staff at the clubs engage children with a full range of activities such as art and craft, sports and trips within the local area.

Billingshurst Staff Breakdown:

Level 6 Practitioner	1
Level 5 Practitioner	-
Level 4 Practitioner	-
Level 3 Early Years Practitioner	7
Level 2 Early Years Practitioner	4
Unqualified Staff	13

Support Staff:

Kitchen Staff	4
Office Staff	2

Total	31
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Organisational structure - Petworth

Wakoos Petworth is open Monday to Friday 07.30-18.00 for 51 weeks a year.

The nursery is approved to provide places for a total of up to 65 children aged between 3 months and 11 years. This includes an After School Club and Breakfast Club provision. We work closely with the adjacent Petworth Primary School and the majority of the children attending our setting will feed into this school. Children here are also divided across 2 rooms depending on their age. There is a courtyard garden area with recently updated outdoor play equipment, a sand pit and we also have access to some of the primary school outside area. We have a separate room with its own facilities for the Breakfast Club and After School Club which is adjacent to the courtyard garden area. We are a one storey building which is fully accessible for disabled users.

Petworth Staff Breakdown:

Level 5	1
Level 3	6
Level 2	3
Unqualified	3

Total	13
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Totalling 44 staff across both sites.

Occasionally staff are temporarily transferred between sites to provide necessary cover. This is allowed for in their contract of employment.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Wakoos follows the OFSTED Safer Recruiting policy. All staff have DBS checks and have attended the mandatory training within their first 6 months of employment or have a current qualification and good understanding of the mandatory training

Risk management

The Trustees have a duty to identify and review the risks to which the Charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The current risks identified that may affect the finances of the charity going forward are:

- Recruitment continues to be difficult and there is a widespread lack of staff across the industry. Staff shortages put strain on our resources and management teams.
- The government hourly funding provision for 2 & 3 yr olds has been very low and doesn't fully cover the cost of providing free entitlement hours. There are plans for this to gradually increase from April 2024, but its effect will take a while to be felt. The extremely late notice of the government funding changes also makes it difficult to plan ahead.
- As the sole occupier of the Billingshurst Children and Family, obtaining the required building maintenance from our landlord is still very difficult. We have delayed maintenance cost increases as much as possible future lease changes would likely increase some of our maintenance costs in the future.
- The possibility of fraud continues to exist and has been highlighted by a series of scam calls to the nursery (April 2024). Although no money was gained by the attempted fraud, it did cause some distress to our employees involved.

To help mitigate or limit the impact of these risks:

- We are constantly exploring ways (financial and otherwise) of improving staff recruitment, retention and morale. Eg employee benefits such as number of leave days available.
- We will continue to review staff salaries each April to ensure they remain competitive. We will increase our fees if needed to ensure our outgoings are covered.
- We will continue to review the government hourly funding received and the number of funded places we are able to offer. We are hoping future changes will be in our favour.
- We will seek to negotiate and limit our liability for maintenance under any future leases. We have already received building survey reports to back up our position.
- Scam calls were reported to the police and Action Fraud. Systems, passwords, security procedures have been updated on the advice of Action Fraud and an IT specialist, and our bank has been updated with the latest trustee details. We have also written a new Anti-Fraud policy and discussed the attempted fraud during several of our committee meetings, which has raised everyone's awareness of the possibility of fraud going forward.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07180968 (England and Wales)

Registered Charity number

1137968

Registered office

Station Road
Billingshurst
West Sussex
RH14 9RY

Trustees

S Tarr (resigned 23.11.23)
J Brown
H Colligan
H Ramiz (resigned 4.4.24)
V Worsfold (resigned 30.6.24)
S Robinson
E Baker (resigned 10.10.24)
N Francis (appointed 12.4.23)
M Shall (appointed 22.3.24)
T Baker (appointed 5.9.24)
L Charlesworth (appointed 5.9.24)
J Ross (appointed 5.9.24)

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Auditors

Galloways Accounting
Statutory Auditor
Atlas Chambers
33 West Street
Brighton
East Sussex
BN1 2RE

Banker

Barclays Bank plc
2 Carfax
Horsham
RH12 1DN

SUMMARY

We would once again like to thank all our hardworking staff who continue to work through many challenges, especially in times of staff shortages, to ensure Wakoos meets its charitable aims of providing high quality, affordable childcare for the local community. We also thank our Trustees for volunteering their time to assist the management teams and who dedicate themselves to the ongoing success of Wakoos.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Wakoos Centre4Children Ltd for the purposes of company law) are responsible for preparing the Report of the Trustees 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 those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Galloways Accounting, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on and signed on its behalf by:

.....
J Brown - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WAKOOS CENTRE4CHILDREN LTD

Opinion

We have audited the financial statements of Wakoos Centre4Children Ltd (the 'charitable company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (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 March 2024 and of its incoming resources and application of resources, 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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

Matters on which we are required to report by exception

In the light of the 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 Report of the Trustees.

We have nothing to report in respect of the following matters where 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WAKOOS CENTRE4CHILDREN LTD

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Discussion with management, including consideration of known or suspected instances of fraud and non-compliance with laws and regulations;
- Review of minutes of Trustees' meetings for discussion of instances of fraud and non-compliance with laws and regulations;
- Review of legal expenses for evidences of fees related to non-compliance; and
- Review of journal entries for indicators of fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Colin Young (Senior Statutory Auditor)
for and on behalf of Galloways Accounting
Statutory Auditor
Atlas Chambers
33 West Street
Brighton
East Sussex
BN1 2RE

Date:

WAKOOS CENTRE4CHILDREN LTD

STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	-	-	-	3,300
Charitable activities	6				
Nursery, after-school clubs and holiday clubs		721,322	273,607	994,929	931,593
Other trading activities	4	2,274	-	2,274	6,451
Investment income	5	1,911	-	1,911	334
Total		<u>725,507</u>	<u>273,607</u>	<u>999,114</u>	<u>941,678</u>
EXPENDITURE ON					
Raising funds	7	7,339	-	7,339	-
Charitable activities	8				
Nursery, after-school clubs and holiday clubs		701,013	273,607	974,620	965,005
Total		<u>708,352</u>	<u>273,607</u>	<u>981,959</u>	<u>965,005</u>
NET INCOME/(EXPENDITURE)		17,155	-	17,155	(23,327)
RECONCILIATION OF FUNDS					
Total funds brought forward		274,448	-	274,448	297,775
TOTAL FUNDS CARRIED FORWARD		<u>291,603</u>	<u>-</u>	<u>291,603</u>	<u>274,448</u>

The notes form part of these financial statements

WAKOOS CENTRE4CHILDREN LTD

BALANCE SHEET
31 MARCH 2024

	Notes	Unrestricted fund £	Restricted funds £	2024 Total funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	15	26,166	-	26,166	31,380
CURRENT ASSETS					
Debtors	16	58,182	-	58,182	57,229
Cash at bank and in hand		258,044	-	258,044	234,398
		<u>316,226</u>	<u>-</u>	<u>316,226</u>	<u>291,627</u>
CREDITORS					
Amounts falling due within one year	17	(50,789)	-	(50,789)	(48,559)
NET CURRENT ASSETS		<u>265,437</u>	<u>-</u>	<u>265,437</u>	<u>243,068</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>291,603</u>	<u>-</u>	<u>291,603</u>	<u>274,448</u>
NET ASSETS		<u>291,603</u>	<u>-</u>	<u>291,603</u>	<u>274,448</u>
FUNDS	19				
Unrestricted funds				291,603	274,448
TOTAL FUNDS				<u>291,603</u>	<u>274,448</u>

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:

.....
J Brown - Trustee

WAKOOS CENTRE4CHILDREN LTD

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash generated from operations	22	<u>21,735</u>	<u>5,014</u>
Net cash provided by operating activities		<u>21,735</u>	<u>5,014</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		-	(5,754)
Interest received		<u>1,911</u>	<u>334</u>
Net cash provided by/(used in) investing activities		<u>1,911</u>	<u>(5,420)</u>
Change in cash and cash equivalents in the reporting period		<u>23,646</u>	<u>(406)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>234,398</u>	<u>234,804</u>
Cash and cash equivalents at the end of the reporting period		<u><u>258,044</u></u>	<u><u>234,398</u></u>

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

1. STATUTORY INFORMATION

Wakoos Centre4children Limited is a charitable company, limited by guarantee, registered in England and Wales. The address of the registered office is given in the charity information on page 5 of these financial statements. The nature of the charity's operations and principal activities are the provision of childcare facilities to enhance the development and education of children.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The trustees have not identified any events or conditions that are expected to affect the charity's ability to continue as a going concern for the foreseeable future and the financial statements are prepared on this basis.

Income

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Nursery fees

Fee income for provision of nursery services is included in incoming resources when the service has been provided, or, if amounts invoiced relate to services both before and after the period end, then in proportion to services provided, with the balance being deferred.

Government grants

The charity receives government grants in respect of provision of childcare and education. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Trading activities

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

All resources are inclusive of irrecoverable VAT.

Allocation and apportionment of costs

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

2. ACCOUNTING POLICIES - continued**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Improvements to property	- Straight line over 20 years
Nursery equipment	- 33% on reducing balance
Computer equipment	- 25% on cost

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Taxation

The company is considered to pass the tests set out in Sch. 6, para. 1 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes; therefore, the charity is exempt from corporation tax on its charitable activities.

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 objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The cost of raising and administering such funds are charged against the specific fund.

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

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Debtors and creditors due within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

3. DONATIONS AND LEGACIES

	2024	2023
	£	£
Gifts and grants	-	3,300
	<u> </u>	<u> </u>

4. OTHER TRADING ACTIVITIES

	2024	2023
	£	£
Fundraising events	2,274	2,451
Apprenticeship scheme funding	-	4,000
	<u> </u>	<u> </u>
	<u>2,274</u>	<u>6,451</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

5. INVESTMENT INCOME

	2024	2023
	£	£
Deposit account interest	1,911	334
	<u>1,911</u>	<u>334</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	2024	2023
	£	£
Activity		
Fee income from Nursery, after school club and holiday club	721,722	679,917
Grants	273,207	251,676
	<u>994,929</u>	<u>931,593</u>

The grants are government grants for the following:

	2024	2023
	£	£
3 year olds and over	235,097	218,291
2 year olds	32,510	24,685
Inclusion fund	5,600	8,700
Other	-	-
	<u>273,207</u>	<u>251,676</u>

7. RAISING FUNDS**Other trading activities**

	2024	2023
	£	£
Bad debts	7,339	-
	<u>7,339</u>	<u>-</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 9) £	Totals £
Nursery, after-school clubs and holiday clubs	923,806	50,814	974,620
	<u>923,806</u>	<u>50,814</u>	<u>974,620</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

9. SUPPORT COSTS

	Management £	Other £	Governance costs £	Totals £
Nursery, after-school clubs and holiday clubs	<u>29,408</u>	<u>2,459</u>	<u>18,947</u>	<u>50,814</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2024 £	2023 £
Depreciation - owned assets	5,214	4,254
Other operating leases	31,088	32,345
Deficit on disposal of fixed assets	-	17
Independent examiner's remuneration - independent examination	-	1,000
Independent examiner's remuneration - other services	-	2,720
Auditor's remuneration - audit fee	10,800	-
Auditor's remuneration - non audit services	<u>2,040</u>	<u>-</u>

11. AUDITORS' REMUNERATION

	2024 £	2023 £
Auditors' remuneration for non audit work	<u>2,040</u>	<u>-</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2024 nor for the year ended 31 March 2023.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2024 nor for the year ended 31 March 2023.

13. STAFF COSTS

	2024 £	2023 £
Wages and salaries	692,990	710,530
Social security costs	35,649	35,603
Other pension costs	<u>20,273</u>	<u>14,129</u>
	<u>748,912</u>	<u>760,262</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

13. STAFF COSTS - continued

The average monthly number of employees during the year was as follows:

	2024	2023
Level 6 early years practitioner	1	1
Level 5 early years practitioner	1	3
Level 4 early years practitioner	-	1
Level 3 early years practitioner	13	17
Level 2 or trainee practitioner	7	5
Unqualified after-school staff	16	10
Bank staff	-	4
Office staff	2	-
Kitchen staff	4	3
Cleaners	-	3
	<u>44</u>	<u>47</u>

No employees received emoluments in excess of £60,000.

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3,300	-	3,300
Charitable activities			
Nursery, after-school clubs and holiday clubs	679,917	251,676	931,593
Other trading activities	6,451	-	6,451
Investment income	334	-	334
Total	<u>690,002</u>	<u>251,676</u>	<u>941,678</u>
EXPENDITURE ON			
Charitable activities			
Nursery, after-school clubs and holiday clubs	<u>713,329</u>	<u>251,676</u>	<u>965,005</u>
NET INCOME/(EXPENDITURE)	(23,327)	-	(23,327)
RECONCILIATION OF FUNDS			
Total funds brought forward	<u>297,775</u>	-	<u>297,775</u>
TOTAL FUNDS CARRIED FORWARD	<u><u>274,448</u></u>	<u><u>-</u></u>	<u><u>274,448</u></u>

WAKOOS CENTRE4CHILDREN LTD

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024**

15. TANGIBLE FIXED ASSETS

	Improvements to property £	Nursery equipment £	Computer equipment £	Totals £
COST				
At 1 April 2023 and 31 March 2024	<u>53,200</u>	<u>56,829</u>	<u>7,835</u>	<u>117,864</u>
DEPRECIATION				
At 1 April 2023	<u>29,260</u>	<u>51,023</u>	<u>6,201</u>	<u>86,484</u>
Charge for year	<u>2,660</u>	<u>1,935</u>	<u>619</u>	<u>5,214</u>
At 31 March 2024	<u>31,920</u>	<u>52,958</u>	<u>6,820</u>	<u>91,698</u>
NET BOOK VALUE				
At 31 March 2024	<u>21,280</u>	<u>3,871</u>	<u>1,015</u>	<u>26,166</u>
At 31 March 2023	<u>23,940</u>	<u>5,806</u>	<u>1,634</u>	<u>31,380</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Trade debtors	55,853	55,016
Prepayments and accrued income	<u>2,329</u>	<u>2,213</u>
	<u>58,182</u>	<u>57,229</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2024 £	2023 £
Social security and other taxes	8,788	4,478
Other creditors	6,888	14,351
Fee deposits	10,120	9,250
Accrued expenses	<u>24,993</u>	<u>20,480</u>
	<u>50,789</u>	<u>48,559</u>

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2024 £	2023 £
Within one year	15,081	15,081
Between one and five years	<u>8,797</u>	<u>23,878</u>
	<u>23,878</u>	<u>38,959</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

19. MOVEMENT IN FUNDS

	At 1.4.23 £	Net movement in funds £	At 31.3.24 £
Unrestricted funds			
General fund	274,448	17,155	291,603
TOTAL FUNDS	274,448	17,155	291,603

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	725,507	(708,352)	17,155
Restricted funds			
Restricted	273,607	(273,607)	-
TOTAL FUNDS	999,114	(981,959)	17,155

Comparatives for movement in funds

	At 1.4.22 £	Net movement in funds £	At 31.3.23 £
Unrestricted funds			
General fund	297,775	(23,327)	274,448
TOTAL FUNDS	297,775	(23,327)	274,448

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	690,002	(713,329)	(23,327)
Restricted funds			
Restricted	251,676	(251,676)	-
TOTAL FUNDS	941,678	(965,005)	(23,327)

Government grants are allocated to the restricted fund since they are restricted to the provision of places within the nursery for entitled children. The cost of care is allocated to the restricted fund up to the value of the grant.

The unrestricted fund is used to further the aims of the charity at the discretion of the trustees.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2024

20. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £20,273 (2023: £14,129). The entire pension cost is allocated to nursery fees since it relates to staff employed in running the nurseries.

21. RELATED PARTY DISCLOSURES

In the year ended 31 March 2024, amounts were received from 5 trustees totalling £33,265, (2023: £16,814) for payment for their children to attend the nursery. These services were charged at the same rate as other users of the service. At the year end, the charity was owed £31 (2023: Nil) from 2 trustees and the charity held £200 (2023: Nil) of deposits related to these services.

No trustees made donations to the charity in the year, (2023: £199).

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

	2024 £	2023 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	17,155	(23,327)
Adjustments for:		
Depreciation charges	5,214	4,254
Loss on disposal of fixed assets	-	17
Interest received	(1,911)	(334)
(Increase)/decrease in debtors	(953)	17,819
Increase in creditors	2,230	6,585
Net cash provided by operations	21,735	5,014

23. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.4.23 £	Cash flow £	At 31.3.24 £
Net cash			
Cash at bank and in hand	234,398	23,646	258,044
	234,398	23,646	258,044
Total	234,398	23,646	258,044

WAKOOS CENTRE4CHILDREN LTD

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024**

	2024 £	2023 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Gifts and grants	-	3,300
Other trading activities		
Fundraising events	2,274	2,451
Apprenticeship scheme funding	-	4,000
	<u>2,274</u>	<u>6,451</u>
Investment income		
Deposit account interest	1,911	334
Charitable activities		
Fee income from Nursery, after school club and holiday club	721,722	679,917
Grants	273,207	251,676
	<u>994,929</u>	<u>931,593</u>
Total incoming resources	999,114	941,678
EXPENDITURE		
Other trading activities		
Bad debts	7,339	-
Charitable activities		
Wages	692,990	710,530
Social security	35,649	35,603
Pensions	20,273	14,129
Other operating leases	31,088	32,345
Rates and water	19,575	9,110
Light and heat	-	220
Sundries	2,858	681
Staff costs	6,324	15,933
Running costs	110,454	99,829
Improvements to property	2,660	2,660
Fixtures and fittings	1,935	984
Loss on sale of tangible fixed assets	-	17
Donations	-	92
	<u>923,806</u>	<u>922,133</u>
Support costs		
Management		
Insurance	3,342	2,297
Advertising	98	583
Office costs	25,349	24,407
Computer equipment	619	610
	<u>29,408</u>	<u>27,897</u>

This page does not form part of the statutory financial statements

WAKOOS CENTRE4CHILDREN LTD

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
Management		
Other		
Bank charges	2,459	546
Governance costs		
Auditors' remuneration for non audit work	2,040	-
Accountancy and legal fees	10,800	-
Accountancy fees	1,565	5,878
Legal fees	4,542	8,551
	18,947	14,429
Total resources expended	981,959	965,005
Net income/(expenditure)	17,155	(23,327)

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The Trustees
WAKOOS CENTRE4CHILDREN Limited
Station Road
Billingshurst
West Sussex
RH14 9RY

Our ref: WAK007

18 December 2024

Dear Sirs

REPORT TO MANAGEMENT

During the course of our audit for the year ended 31 March 2024 a number of matters arose which we consider should be brought to your attention.

Accompanying this letter is a memorandum noting these points together with any recommendations we have for possible improvements which could be made.

These matters came to light during the course of our normal audit tests which are designed to assist us in forming our opinion on the financial statements. Our tests may not necessarily disclose all errors or irregularities and should not be relied upon to do so. However, if any irregularity did come to our attention during our audit tests, we would, of course, inform you immediately.

We would be grateful if you could enter management's comments against each point under the "management response" column of the memorandum and return it to us in due course.

We have complied with the Financial Reporting Council's Ethical Standard and all threats to our independence, have been properly addressed through appropriate safeguards. No additional facts or matters have arisen during the course of the audit that we wish to draw to your attention and we confirm that we are independent and able to express an objective opinion on the financial statements.

This report has been prepared for the sole use of the Trustees of WAKOOS CENTRE4CHILDREN and must not be shown to third parties without our prior consent. No responsibilities are accepted by Galloways Accounting towards any party acting or refraining from action as a result of this report.

Yours faithfully



Galloways Accounting

SIGNIFICANT MATTERS RELEVANT TO OUR AUDIT FOR THE YEAR ENDED 31 MARCH 2024

Summary of significant audit findings

There were no changes to our audit approach as set out in our planning memorandum dated 13th June 2024.

Summary of significant audit findings

Significant risk area identified at planning	Implications and recommendations	Management response
Management override of controls.	No issues identified.	
Trade debtors.	<p>It was identified that the trade debtors balance at the year end per Xero did not agree to the trade debtors balance on the Connect system. This required additional work to ensure Xero reconciled to Connect.</p> <p>Sales invoices in Connect should be reconciled monthly to those in Xero.</p> <p>Debtor reports per Connect should reconcile to debtor reports in Xero.</p>	
Revenue recognition.	<p>Due to the above issue with trade debtors, it was identified incoming resources was not accurate due to the material misstatement within Xero.</p> <p>Sales invoices are revised in Connect after being issued to the billpayers.</p> <p>Firstly, credit notes or additional invoices should be used and issued to billpayers.</p> <p>Additionally, any changes to Connect should be reflected in Xero.</p>	

Internal controls

The purpose of the audit was for us to express an opinion on the financial statements. The audit included consideration of internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Our audit is, therefore, not designed to identify all control weaknesses and the matters reported below are limited to those deficiencies that we have identified during the audit.

Control weakness identified	Potential implications and recommendations	Management response
Payable invoices are not input to Xero and marked as payable on the date due, instead are input at the date paid.	<p>Entering incorrect payable dates could lead to issues within the bank reconciliation reports and payments being included in the incorrect period.</p> <p>Purchase invoices should be posted as payable at the date due and payments then allocated when paid.</p>	

Galloways

Accounting

Control weakness identified	Potential implications and recommendations	Management response
Pension contributions have been overpaid due to payments to ex-employees continuing after they have left.	<p>This is a loss of charity funds and every effort should be made to recover the amounts overpaid.</p> <p>Going forward, information provided to the charity's pension provider from your external payroll provider should be reconciled to payroll records and payments each month.</p>	
<p>Regular reconciliations of key control accounts on a monthly basis:</p> <ul style="list-style-type: none"> • Banks • Credit cards • Payroll • Debtors 	<p>Information on Xero is not up to date to allow the board of trustees to make informed decisions on up-to-date information. This could lead to uninformed decision making with a negative impact on charity funds available.</p> <p>Trustees are responsible for keeping proper accounting records that disclose with accuracy at any time the financial position of the charity.</p>	
A number of old debtor balances suggest that debt collection and bad debt monitoring is not regular.	This could lead to misstatements in the financial statements as historical amounts are not likely to be recovered.	
Petty cash transactions have not been recorded in Xero.	<p>This could lead to incomplete financial statements.</p> <p>The petty cash book should have all transactions recorded in Xero and the physical book should be reconciled to Xero regularly.</p>	
A credit card is still held in an ex-trustee's name.	This is a potential fraud risk and should be cancelled, even if not in use.	

Anticipated audit report

We anticipate that we will issue an unmodified audit report for the year, subject to the satisfactory clearance of any outstanding/unresolved matters.