

Saplings Childrens Day Nursery Ltd

Charity No. 1144455

Company No. 07359750

Trustees' Report and Unaudited Accounts

31 August 2022

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the unaudited financial statements of the charity for the year ended 31 August 2022.

#### REFERENCE AND ADMINISTRATIVE DETAILS

Company No. 07359750

Charity No. 1144455

Principal Office

Cadlands Children's Centre

Whitefield Road

Holbury

Southampton

SO45 2HW

Registered Office

Cadlands Children's Centre

Whitefield Road

Holbury

Southampton

SO45 2HW

Directors and Trustees

The Directors of the charitable company are its Trustees for the purposes of charity law.

The following Directors and Trustees served during the year:

C. Adams	(Resigned 10 December 2021)
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K. Cooper	
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J. Jackson	(Resigned 10 December 2021)
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D. Lavetiviti	(Resigned 10 December 2021)
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K. Mellor	(Resigned 10 December 2021)
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J. Pearce	
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E. Pearson	
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N. Smith	(Resigned 21 November 2022)
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Accountants

Roger Smallman & Co Ltd

Suite 20

The Director General's House

15 Rockstone Place

Southampton

SO15 2EP

#### OBJECTIVES AND ACTIVITIES

The purpose of the charity as set out in its governing document is to ensure the advancement and development of education and equal opportunity for all children aged under 5 years.

The main activities undertaken in relation to those purposes is providing childcare and early years education for the under 5's.

In all our work we (the trustees) have regard to the guidance issued by the Charity Commission on public benefit. Our main activity is to deliver, within our fully inclusive setting for 2-5 year olds, the Early Years Foundation Stage. We employ childcare managers and practitioners who jointly plan rich and fulfilling activities to meet the needs and interests of the children.

#### ACHIEVEMENTS AND PERFORMANCE

We have worked hard to establish a caring and fulfilling environment for the children where our parents feel comfortable leaving their child. We have worked with the Local authority and Advisory teachers to enhance the offering and provide every child with the best start to early years education.

#### FINANCIAL REVIEW

The nursery has moved in a positive direction this year, we have invested funds back into the nursery, to update and enhance the offering for the children. We've purchased new and engaging equipment to aid in the individual development of each child. We've updated vital IT equipment to streamline the operations and implemented a new invoicing system to allow better financial controls and reporting.

Saplings have a strong direction and a plan for the new financial year to continue investing back into the setting and growing the offering.

#### STRUCTURE, GOVERNANCE AND MANAGEMENT

Saplings Children's Day Nursery is an incorporated charity and its governing document is its Memorandum and Articles of Association dated 27th August 2010

New trustees are recruited from parents of children at the preschool and are elected at the AGM.

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

The above report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime as set out in Part 15 of the Companies Act 2006 and in accordance with the Charities SORP (FRS 102).

Signed on behalf of the board

E. Pearson  
Trustee  
25 January 2023

Independent Examiner's Report to the trustees of Saplings Childrens Day Nursery Ltd

I report to the charity trustees on my examination of the financial statements of Saplings Childrens Day Nursery Ltd for the year ended 31 August 2022 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes.

Responsibilities and basis of report

As the trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act).

Having satisfied myself that the financial statements of the charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I can confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that:

- accounting records were not kept in accordance with section 386 of the 2006 Act ; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the accounting requirements under section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- the financial statements have not been prepared in accordance with the Charities SORP (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Mrs CC Gunning  
Chartered Accountant  
Roger Smallman & Co Ltd  
Suite 20  
The Director General's House  
15 Rockstone Place  
Southampton  
SO15 2EP  
25 January 2023

Saplings Childrens Day Nursery Ltd  
Statement of Financial Activities  
for the year ended 31 August 2022

		Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
	Notes			
Income and endowments from:				
Donations and legacies	4	53	53	1
Charitable activities	5	176,159	176,159	162,243
Investments	6	2	2	4
Other	7	-	-	575
Total		176,214	176,214	162,823
Expenditure on:				
Charitable activities	8	6,341	6,341	4,880
Other	9	165,402	165,402	150,480
Total		171,743	171,743	155,360
Net gains on investments		-	-	-
Net income		4,471	4,471	7,463
Transfers between funds		-	-	-
Net income before other gains/(losses)		4,471	4,471	7,463
Other gains and losses				
Net movement in funds		4,471	4,471	7,463
Reconciliation of funds:				
Total funds brought forward		56,243	56,243	48,780
Total funds carried forward		60,714	60,714	56,243

Saplings Childrens Day Nursery Ltd  
Summary Income and Expenditure Account  
for the year ended 31 August 2022

	2022 £	2021 £
Income	176,212	162,819
Interest and investment income	2	4
Gross income for the year	<u>176,214</u>	<u>162,823</u>
Expenditure	171,743	155,360
Total expenditure for the year	<u>171,743</u>	<u>155,360</u>
Net income before tax for the year	4,471	7,463
Net income for the year	<u><u>4,471</u></u>	<u><u>7,463</u></u>

Saplings Childrens Day Nursery Ltd

Balance Sheet

at 31 August 2022

Company No. 07359750	Notes	2022 £	2021 £
Current assets			
Debtors	11	(291)	120
Cash at bank and in hand		66,136	60,610
		<u>65,845</u>	<u>60,730</u>
Creditors: Amount falling due within one year	12	(5,131)	(4,487)
Net current assets		60,714	56,243
Total assets less current liabilities		60,714	56,243
Net assets excluding pension asset or liability		60,714	56,243
Total net assets		<u>60,714</u>	<u>56,243</u>
The funds of the charity			
Restricted funds	13		
Unrestricted funds	13		
General funds		60,714	56,243
		<u>60,714</u>	<u>56,243</u>
Reserves	13		
Total funds		<u>60,714</u>	<u>56,243</u>

These accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

For the year ended 31 August 2022 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

Approved by the board on 25 January 2023

And signed on its behalf by:

E. Pearson

Trustee

25 January 2023



Saplings Childrens Day Nursery Ltd  
Statement of Cash flows  
for the year ended 31 August 2022

	2022 £	2021 £
Cash flows from operating activities		
Net income per Statement of Financial Activities	4,471	7,463
Adjustments for:		
Dividends, interest and rents from investments	(2)	(579)
Decrease in trade and other receivables	411	2,265
Increase/(Decrease) in trade and other payables	468	(6,831)
Net cash provided by operating activities	<u>5,348</u>	<u>2,318</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	2	579
Net cash from investing activities	<u>2</u>	<u>579</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net increase in cash and cash equivalents	5,350	2,897
Cash and cash equivalents at the beginning of the year	60,610	57,713
Cash and cash equivalents at the end of the year	<u>65,960</u>	<u>60,610</u>
Components of cash and cash equivalents		
Cash and bank balances	66,136	60,610
	<u>66,136</u>	<u>60,610</u>

## 1 Accounting policies

### Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

### Change in basis of accounting or to previous accounts

There has been no change to the accounting policies (valuation rules and method of accounting) since last year and no changes have been made to accounts for previous years.

### Fund accounting

**Unrestricted funds** These are available for use at the discretion of the trustees in furtherance of the general objects of the charity.

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

**Revaluation funds** These are unrestricted funds which include a revaluation reserve representing the restatement of investment assets at their market values.

**Restricted funds** These are available for use subject to restrictions imposed by the donor or through terms of an appeal.

### Income

**Recognition of income** Income is included in the Statement of Financial Activities (SoFA) when the charity becomes entitled to, and virtually certain to receive, the income and the amount of the income can be measured with sufficient reliability.

**Income with related expenditure** Where income has related expenditure the income and related expenditure is reported gross in the SoFA.

**Donations and legacies** Voluntary income received by way of grants, donations and gifts is included in the the SoFA when receivable and only when the Charity has unconditional entitlement to the income.

**Tax reclaims on donations and gifts** Income from tax reclaims is included in the SoFA at the same time as the gift/donation to which it relates.

**Donated services and facilities** These are only included in income (with an equivalent amount in expenditure) where the benefit to the Charity is reasonably quantifiable, measurable and material.

**Volunteer help** The value of any volunteer help received is not included in the accounts.

**Investment income** This is included in the accounts when receivable.

**Gains/(losses) on revaluation of fixed assets** This includes any gain or loss resulting from revaluing investments to market value at the end of the year.

**Gains/(losses) on investment assets** This includes any gain or loss on the sale of investments.

#### Expenditure

Recognition of expenditure	Expenditure is recognised on an accruals basis. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.
Expenditure on raising funds	These comprise the costs associated with attracting voluntary income, fundraising trading costs and investment management costs.
Expenditure on charitable activities	These comprise the costs incurred by the Charity in the delivery of its activities and services in the furtherance of its objects, including the making of grants and governance costs.
Grants payable	All grant expenditure is accounted for on an actual paid basis plus an accrual for grants that have been approved by the trustees at the end of the year but not yet paid.
Governance costs	These include those costs associated with meeting the constitutional and statutory requirements of the Charity, including any audit/independent examination fees, costs linked to the strategic management of the Charity, together with a share of other administration costs.
Other expenditure	These are support costs not allocated to a particular activity.

#### Taxation

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

#### Trade and other debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits with banks and other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings or current liabilities. In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

#### Trade and other creditors

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

#### Pension costs

The charity operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payments obligations. The contributions are recognised as expenses when they fall due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the company in independently administered funds.

## 2 Company status

The company is a private company limited by guarantee and consequently does not have share capital.

## 3 Statement of Financial Activities - prior year

	Unrestricted funds 2021 £	Total funds 2021 £
Income and endowments from:		
Donations and legacies	1	1
Charitable activities	162,243	162,243
Investments	4	4
Other	575	575
Total	<u>162,823</u>	<u>162,823</u>
Expenditure on:		
Charitable activities	4,880	4,880
Other	150,480	150,480
Total	<u>155,360</u>	<u>155,360</u>
Net income	<u>7,463</u>	<u>7,463</u>
Net income before other gains/(losses)	<u>7,463</u>	<u>7,463</u>
Other gains and losses:		
Net movement in funds	<u>7,463</u>	<u>7,463</u>
Reconciliation of funds:		
Total funds brought forward	<u>48,780</u>	<u>48,780</u>
Total funds carried forward	<u><u>56,243</u></u>	<u><u>56,243</u></u>

## 4 Income from donations and legacies

	Unrestricted £	Total 2022 £	Total 2021 £
Donations	<u>53</u>	<u>53</u>	<u>1</u>
	<u><u>53</u></u>	<u><u>53</u></u>	<u><u>1</u></u>

5 Income from charitable activities

	Unrestricted	Total 2022	Total 2021
	£	£	£
Nursery fees	64,462	64,462	50,096
Early Years funding	111,179	111,179	110,124
Other fees	518	518	2,023
	<u>176,159</u>	<u>176,159</u>	<u>162,243</u>

6 Income from investments

	Unrestricted	Total 2022	Total 2021
	£	£	£
Interest	2	2	4
	<u>2</u>	<u>2</u>	<u>4</u>

7 Other income

	Total 2022	Total 2021
	£	£
Grants	-	575
	<u>-</u>	<u>575</u>

8 Expenditure on charitable activities

	Unrestricted	Total 2022	Total 2021
	£	£	£
<i>Expenditure on charitable activities</i>			
Nursery fees	5,006	5,006	4,880
Early Years funding	1,335	1,335	-
<i>Governance costs</i>			
	<u>6,341</u>	<u>6,341</u>	<u>4,880</u>

9 Other expenditure

	Unrestricted	Total 2022	Total 2021
	£	£	£
Employee costs	136,523	136,523	125,081
Premises costs	20,026	20,026	19,544
General administrative costs	5,858	5,858	3,571
Legal and professional costs	2,995	2,995	2,284
	<u>165,402</u>	<u>165,402</u>	<u>150,480</u>

10 Staff costs

	2022	2021
Salaries and wages	132,543	123,216
Pension costs	1,516	1,663
	<u>134,059</u>	<u>124,879</u>

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

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

	2022 Number	2021 Number
Nursery	10	10
	<u>10</u>	<u>10</u>

11 Debtors

	2022 £	2021 £
Other debtors	(291)	120
	<u>(291)</u>	<u>120</u>

12 Creditors:

amounts falling due within one year

	2022 £	2021 £
Other taxes and social security	363	390
Other creditors	2,106	-
Accruals	2,662	2,486
Deferred income	-	1,611
	<u>5,131</u>	<u>4,487</u>

13 Movement in funds

	At 1 September 2021	Incoming resources (including other gains/losses) £	Resources expended £	At 31 August 2022 £
Restricted funds:				
Unrestricted funds:				
General funds	56,243	176,214	(171,743)	60,714
Total funds	<u>56,243</u>	<u>176,214</u>	<u>(171,743)</u>	<u>60,714</u>

14 Analysis of net assets between funds

	Unrestricted funds £	Total £
Net current assets	60,714	60,714
	<u>60,714</u>	<u>60,714</u>

15 Reconciliation of net debt

	At 1 September 2021 £	Cash flows £	At 31 August 2022 £
Cash and cash equivalents	60,610	5,526	66,136
	<u>60,610</u>	<u>5,526</u>	<u>66,136</u>
Net debt	<u>60,610</u>	<u>5,526</u>	<u>66,136</u>

16 Commitments

*Operating lease commitments*

Annual commitments under non-cancellable operating leases are as follows:

	2022 Land and buildings £	2022 Other £	2021 Land and buildings £	2021 Other £
Operating leases with expiry date:				

*Pension commitments*

	2022 £	2021 £
The pension cost charge to the company amounted to:	<u>1,516</u>	<u>1,663</u>

17 Related party disclosures

*Controlling party*

The company is limited by guarantee and has no share capital; thus no single party controls the company.

Saplings Childrens Day Nursery Ltd  
Detailed Statement of Financial Activities  
for the year ended 31 August 2022

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income and endowments from:			
Donations and legacies			
Donations	53	53	1
	<u>53</u>	<u>53</u>	<u>1</u>
Charitable activities			
Nursery fees	64,462	64,462	50,096
Early Years funding	111,179	111,179	110,124
Other fees	518	518	2,023
	<u>176,159</u>	<u>176,159</u>	<u>162,243</u>
Investments			
Interest	2	2	4
	<u>2</u>	<u>2</u>	<u>4</u>
Other			
Grants	-	-	575
	<u>-</u>	<u>-</u>	<u>575</u>
Total income and endowments	176,214	176,214	162,823
Expenditure on:			
Charitable activities			
Nursery fees	5,006	5,006	4,880
Early Years funding	1,335	1,335	-
	<u>6,341</u>	<u>6,341</u>	<u>4,880</u>
Total of expenditure on charitable activities	6,341	6,341	4,880
Employee costs			
Salaries/wages	132,543	132,543	123,216
Pension costs	1,516	1,516	1,663
Staff training	1,046	1,046	-
Staff welfare	1,418	1,418	202
	<u>136,523</u>	<u>136,523</u>	<u>125,081</u>
Premises costs			
Rent	8,505	8,505	10,132
Light, heat and power	4,567	4,567	3,675
Premises cleaning	1,152	1,152	2,931
Premises repairs and maintenance	5,802	5,802	2,806
	<u>20,026</u>	<u>20,026</u>	<u>19,544</u>
General administrative costs, including depreciation and amortisation			



Saplings Childrens Day Nursery Ltd  
Detailed Statement of Financial Activities

Bank charges	169	169	-
Equipment expensed	1,247	1,247	826
General insurances	579	579	520
Information and publications	258	258	-
Software, IT support and related costs	2,740	2,740	311
Stationery and printing	288	288	1,190
Subscriptions	389	389	665
Sundry expenses	188	188	59
	<u>5,858</u>	<u>5,858</u>	<u>3,571</u>
Legal and professional costs			
Accountancy and bookkeeping	2,040	2,040	2,077
Other legal and professional costs	955	955	207
	<u>2,995</u>	<u>2,995</u>	<u>2,284</u>
Total of expenditure of other costs	<u>165,402</u>	<u>165,402</u>	<u>150,480</u>
Total expenditure	171,743	171,743	155,360
Net gains on investments	-	-	-
	<u>4,471</u>	<u>4,471</u>	<u>7,463</u>
Net income			
Net income before other gains/(losses)	4,471	4,471	7,463
Other Gains	-	-	-
	<u>4,471</u>	<u>4,471</u>	<u>7,463</u>
Net movement in funds			
	<u>4,471</u>	<u>4,471</u>	<u>7,463</u>
Reconciliation of funds:			
Total funds brought forward	56,243	56,243	48,780
Total funds carried forward	<u>60,714</u>	<u>60,714</u>	<u>56,243</u>