

Saplings Childrens Day Nursery Ltd

Charity No. 1144455

Company No. 07359750

Trustees' Report and Unaudited Accounts

31 August 2023

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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 2023.

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:

K. Cooper

J. Pearce

E. Pearson

N. Smith (Resigned 21 November 2022)

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

With a major change in management this year the nursery has undergone changes at the very heart of the setting. The systems and processes have been reviewed to ensure the setting is delivering the best standards possible. After a difficult end to the year with an unsatisfactory Ofsted report everyone has been working hard to ensure the setting achieve good or above.

FINANCIAL REVIEW

The nursery has moved in a dynamic direction this year, the change in management has sparked new processes and updates to policies. New equipment has been purchased to try and achieve learning outcomes 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

18 October 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 2023.

Responsibilities and basis of report

As the charity's trustees of the company (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:

- 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 methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (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.

Carole Gunning ICAEW

Roger Smallman & Co Ltd

Suite 20

The Director General's House

15 Rockstone Place

Southampton

SO15 2EP

18 October 2023

Saplings Childrens Day Nursery Ltd
Statement of Financial Activities
for the year ended 31 August 2023

		Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
	Notes			
Income and endowments from:				
Donations and legacies	4	3	3	53
Charitable activities	5	216,534	216,534	176,159
Investments	6	-	-	2
Total		216,537	216,537	176,214
Expenditure on:				
Charitable activities	7	10,579	10,579	6,341
Other	8	212,812	212,812	165,402
Total		223,391	223,391	171,743
Net gains on investments		-	-	-
Net (expenditure)/income		(6,854)	(6,854)	4,471
Transfers between funds		-	-	-
Net (expenditure)/income before other gains/(losses)		(6,854)	(6,854)	4,471
Other gains and losses				
Net movement in funds		(6,854)	(6,854)	4,471
Reconciliation of funds:				
Total funds brought forward		60,714	60,714	56,243
Total funds carried forward		53,860	53,860	60,714

Saplings Childrens Day Nursery Ltd
Summary Income and Expenditure Account
for the year ended 31 August 2023

	2023 £	2022 £
Income	216,537	176,212
Interest and investment income	-	2
Gross income for the year	<u>216,537</u>	<u>176,214</u>
Expenditure	223,388	171,743
Interest payable	3	-
Total expenditure for the year	<u>223,391</u>	<u>171,743</u>
Net (expenditure)/income before tax for the year	(6,854)	4,471
Net (expenditure)/income for the year	<u>(6,854)</u>	<u>4,471</u>

Saplings Childrens Day Nursery Ltd

Balance Sheet

at 31 August 2023

Company No. 07359750	Notes	2023 £	2022 £
Current assets			
Debtors	10	369	-
Cash at bank and in hand		56,035	66,136
		<u>56,404</u>	<u>66,136</u>
Creditors: Amount falling due within one year	11	(2,544)	(5,422)
Net current assets		53,860	60,714
Total assets less current liabilities		53,860	60,714
Net assets excluding pension asset or liability		<u>53,860</u>	<u>60,714</u>
Total net assets		<u>53,860</u>	<u>60,714</u>
The funds of the charity			
Restricted funds	12		
Unrestricted funds	12		
General funds		53,860	60,714
		<u>53,860</u>	<u>60,714</u>
Reserves	12		
Total funds		<u>53,860</u>	<u>60,714</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 2023 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 18 October 2023

And signed on its behalf by:

E. Pearson

Trustee

18 October 2023

Saplings Childrens Day Nursery Ltd
Statement of Cash flows
for the year ended 31 August 2023

	2023 £	2022 £
Cash flows from operating activities		
Net (expenditure)/income per Statement of Financial Activities	(6,854)	4,471
Adjustments for:		
(Increase)/Decrease in trade and other receivables	(369)	411
(Decrease)/Increase in trade and other payables	(1,666)	468
Net cash (used in)/provided by operating activities	<u>(8,889)</u>	<u>5,348</u>
Net cash from investing activities	<u>-</u>	<u>2</u>
Net cash from financing activities	<u>-</u>	<u>-</u>
Net (decrease)/increase in cash and cash equivalents	(8,889)	5,350
Cash and cash equivalents at the beginning of the year	65,845	60,610
Cash and cash equivalents at the end of the year	<u>56,956</u>	<u>65,960</u>
Components of cash and cash equivalents		
Cash and bank balances	56,035	66,136
Bank overdrafts	(529)	(291)
	<u>55,506</u>	<u>65,845</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.
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Income with related expenditure	Where income has related expenditure the income and related expenditure is reported gross in the SoFA.
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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.
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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.
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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.
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Volunteer help	The value of any volunteer help received is not included in the accounts.
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Investment income	This is included in the accounts when receivable.
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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.
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Gains/(losses) on investment assets	This includes any gain or loss on the sale of investments.
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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.

Receipt of donated goods, facilities and services

All donated goods, facilities and services received are recognised within incoming resources and expenditure at an estimate of the value to the charity.

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 2022 £	Total funds 2022 £
Income and endowments from:		
Donations and legacies	53	53
Charitable activities	176,159	176,159
Investments	2	2
Total	<u>176,214</u>	<u>176,214</u>
Expenditure on:		
Charitable activities	6,341	6,341
Other	165,402	165,402
Total	<u>171,743</u>	<u>171,743</u>
Net income	<u>4,471</u>	<u>4,471</u>
Net income before other gains/(losses)	4,471	4,471
Other gains and losses:		
Net movement in funds	<u>4,471</u>	<u>4,471</u>
Reconciliation of funds:		
Total funds brought forward	56,243	56,243
Total funds carried forward	<u><u>60,714</u></u>	<u><u>60,714</u></u>

4 Income from donations and legacies

	Unrestricted £	Total 2023 £	Total 2022 £
Donations	3	3	53
	<u>3</u>	<u>3</u>	<u>53</u>

5 Income from charitable activities

Unrestricted	Total 2023	Total 2022
£	£	£
Nursery fees	80,874	64,462
Early Years funding	134,673	111,179
Other fees	987	518
<u>216,534</u>	<u>216,534</u>	<u>176,159</u>

6 Income from investments

	Total 2023	Total 2022
	£	£
Interest	-	2
	<u>-</u>	<u>2</u>

7 Expenditure on charitable activities

Unrestricted	Total 2023	Total 2022
£	£	£
<i>Expenditure on charitable activities</i>		
Nursery fees	10,579	5,006
Early Years funding	-	1,335
<i>Governance costs</i>		
<u>10,579</u>	<u>10,579</u>	<u>6,341</u>

8 Other expenditure

Unrestricted	Total 2023	Total 2022
£	£	£
Bank loan and overdraft interest payable	3	-
Employee costs	176,883	136,523
Premises costs	27,366	20,026
General administrative costs	7,349	5,858
Legal and professional costs	1,211	2,995
<u>212,812</u>	<u>212,812</u>	<u>165,402</u>

9 Staff costs

	2023	2022
Salaries and wages	171,209	132,543
Pension costs	1,541	1,516
	<u>172,750</u>	<u>134,059</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:

	2023 Number	2022 Number
Nursery	10	10
	<u>10</u>	<u>10</u>

10 Debtors

	2023 £	2022 £
Trade debtors	369	-
	<u>369</u>	<u>-</u>

11 Creditors:

amounts falling due within one year

	2023 £	2022 £
Bank loans and overdrafts	529	291
Other taxes and social security	803	363
Other creditors	-	2,106
Accruals	1,212	2,662
	<u>2,544</u>	<u>5,422</u>

12 Movement in funds

	At 1 September 2022	Incoming resources (including other gains/losses) £	Resources expended £	At 31 August 2023 £
Restricted funds:				
Unrestricted funds:				
General funds	60,714	216,537	(223,391)	53,860
	<u>60,714</u>	<u>216,537</u>	<u>(223,391)</u>	<u>53,860</u>
Total funds	<u>60,714</u>	<u>216,537</u>	<u>(223,391)</u>	<u>53,860</u>

13 Analysis of net assets between funds

	Unrestricted funds £	Total £
Net current assets	53,860	53,860
	<u>53,860</u>	<u>53,860</u>

14 Reconciliation of net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash and cash equivalents	66,136	(10,101)	56,035
	<u>66,136</u>	<u>(10,101)</u>	<u>56,035</u>
Net debt	<u>66,136</u>	<u>(10,101)</u>	<u>56,035</u>

15 Commitments

Operating lease commitments

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

	2023 Land and buildings £	2023 Other £	2022 Land and buildings £	2022 Other £
Operating leases with expiry date:				

Pension commitments

	2023 £	2022 £
The pension cost charge to the company amounted to:	<u>1,541</u>	<u>1,516</u>

16 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 2023

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income and endowments from:			
Donations and legacies			
Donations	3	3	53
	<u>3</u>	<u>3</u>	<u>53</u>
Charitable activities			
Nursery fees	80,874	80,874	64,462
Early Years funding	134,673	134,673	111,179
Other fees	987	987	518
	<u>216,534</u>	<u>216,534</u>	<u>176,159</u>
Investments			
Interest	-	-	2
	<u>-</u>	<u>-</u>	<u>2</u>
Total income and endowments	216,537	216,537	176,214
Expenditure on:			
Charitable activities			
Nursery fees	10,579	10,579	5,006
Early Years funding	-	-	1,335
	<u>10,579</u>	<u>10,579</u>	<u>6,341</u>
Total of expenditure on charitable activities	10,579	10,579	6,341
Other expenditure			
Bank loan and overdraft interest payable	3	3	-
	<u>3</u>	<u>3</u>	<u>-</u>
Employee costs			
Salaries/wages	171,209	171,209	132,543
Pension costs	1,541	1,541	1,516
Staff training	2,173	2,173	1,046
Staff welfare	1,960	1,960	1,418
	<u>176,883</u>	<u>176,883</u>	<u>136,523</u>
Premises costs			
Rent	8,230	8,230	8,505
Light, heat and power	8,268	8,268	4,567
Premises cleaning	979	979	1,152
Premises repairs and maintenance	9,889	9,889	5,802
	<u>27,366</u>	<u>27,366</u>	<u>20,026</u>

Saplings Childrens Day Nursery Ltd
Detailed Statement of Financial Activities

General administrative costs, including depreciation and amortisation			
Bank charges	355	355	169
Equipment expensed	2,463	2,463	1,247
General insurances	689	689	579
Information and publications	-	-	258
Software, IT support and related costs	1,130	1,130	2,740
Stationery and printing	1,801	1,801	288
Subscriptions	703	703	389
Sundry expenses	208	208	188
	<u>7,349</u>	<u>7,349</u>	<u>5,858</u>
Legal and professional costs			
Accountancy and bookkeeping	1,211	1,211	2,040
Other legal and professional costs	-	-	955
	<u>1,211</u>	<u>1,211</u>	<u>2,995</u>
Total of expenditure of other costs	<u>212,812</u>	<u>212,812</u>	<u>165,402</u>
Total expenditure	223,391	223,391	171,743
Net gains on investments	-	-	-
	<u>(6,854)</u>	<u>(6,854)</u>	<u>4,471</u>
Net (expenditure)/income			
Net (expenditure)/income before other gains/(losses)	<u>(6,854)</u>	<u>(6,854)</u>	<u>4,471</u>
Other Gains	-	-	-
	<u>(6,854)</u>	<u>(6,854)</u>	<u>4,471</u>
Net movement in funds			
Reconciliation of funds:			
Total funds brought forward	60,714	60,714	56,243
Total funds carried forward	<u>53,860</u>	<u>53,860</u>	<u>60,714</u>