

Company registration number: 08100944

Charity registration number: 1147882

Sunflowers at Grafton

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2024

Sunflowers at Grafton

Contents

| | |
|---|----------|
| Reference and Administrative Details | 1 |
| Trustees' Report | 2 to 6 |
| Statement of Trustees' Responsibilities | 7 |
| Independent Auditors' Report | 8 to 10 |
| Statement of Financial Activities | 11 to 12 |
| Balance Sheet | 13 |
| Notes to the Financial Statements | 14 to 25 |

Sunflowers at Grafton

Reference and Administrative Details

| | |
|------------------------------------|--|
| Chairman | J Ratnage |
| Secretary | S England |
| Charity Registration Number | 1147882 |
| Company Registration Number | 08100944 |
| Registered Office | The charity is incorporated in England and Wales. Sunflowers at Grafton East Grafton Marlborough SN8 3DB |
| Independent Examiner | Sansum & Co Limited 1 Meadow View High Street Burbage SN8 3AF |

Sunflowers at Grafton

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2024.

Objectives and activities

Objects and aims

To enhance the development and education of children under statutory school age and of primary school age by encouraging parents to understand and provide for the needs of their children and by:

- Offering appropriate play, education and care facilities within the context of a welcoming and healthy environment and ensuring provision of opportunities for all children regardless of their race, culture, religion, means or ability;
- Providing opportunities for parents and members of the community to take responsibility for, and to become involved in, such activities;
- Working in partnership with parents, organisations, professionals and the local community to ensure the needs of families and their children are met; and
- Advancing the education and training of staff in the provision of such play, education and care facilities as described above.

Sunflowers at Grafton

Trustees' Report

Objectives, strategies and activities

Our main activity is the provision of great childcare on a not for profit basis, which utilises our beautiful natural surroundings. Specifically:

- Ofsted registered nursery care for babies and children to 5 years, from 7.50am to 6pm for 51 weeks each year;
- Ofsted registered out of school care for primary school children, specifically breakfast, after school and holiday clubs; and
- Daily school transport for parish children to one of our local primary schools.

The way we work

Children are at the heart of everything we do and at the top of the list is making sure that all children have fun, feel safe and are learning and developing. Along the line we make sure that all the relevant statutory boxes are ticked and that all our paperwork is in good order.

The way we work is guided by our core values: Natural, Community and Growing.

Natural - Outdoor adventures are fundamental to the Sunflowers at Grafton experience. We put as much time, thought, planning and resourcing into our outdoor space as we do to our indoor environment, creating a place in which every child can connect with nature. We love the outdoors, we love nature and we love all weathers.

We keep things simple, honest and practical - from our relationships with our families, to policies, procedures and pricing.

Community - We are part of a thriving rural community which is incredibly supportive. We encourage everyone, including parents, our team and members of our local community to play an active part in our progress. We work together so that the children at Sunflowers have the most fantastic experiences which will give them the best possible foundations for life.

Sunflowers at Grafton is a registered charity, based in buildings previously occupied by the parish school which closed in 2011. Every penny of surplus income goes into making Sunflowers an even better place.

Growing - We are continually exploring ways in which to do things better and encourage feedback from families, our team and the community to help us improve.

Our activities are managed and run by a qualified, professional team. Sunflowers at Grafton is a significant local employer, with over 20 full-time and part-time employees. The majority of these roles are filled by residents of Grafton Parish or neighbouring Parishes.

We have high expectations and every member of the team plays a key part in our success. Roles and responsibilities are clearly defined and the team work together effectively to deliver an amazing service. We look for regular opportunities to involve members of our local community to share their skills, expertise and time on a voluntary basis.

Sunflowers at Grafton is committed to safeguarding and promoting the welfare of our children and expects our staff team and volunteers to share that commitment.

Sunflowers at Grafton

Trustees' Report

Achievements and performance

This is not a year on which we shall look back with undiluted pleasure. It was an annus horribilis dominated by two minibus thefts, the first in September 2023 and the second in April 2024.

Following the September theft and burning out of our 15-seat minibus our fundraising enabled security improvements in our grounds. Despite these security measures our 12-seat minibus was stolen on Easter Monday and found burnt out early the following morning.

The proceeds from fundraising activities large and small, together with insurance monies for the vehicle we owned and incredibly generous donations, allowed us to purchase the first replacement vehicle in June. We hope to be in a position to replace the second vehicle in early 2025.

That we managed through the year with no disruption to the services that rely on this transport was nothing short of a miracle – testament both to the management team and to the immense kindness and generosity of friends across the community and further afield who rallied around to support.

Throughout the year we continued to see changes in the landscape for wraparound care, specifically breakfast, after school and holiday clubs, and this was heightened by the change of government in July. Securing income from our wraparound care was a priority and the most significant response was the opening of a breakfast club run by Sunflowers at Grafton based at one of our local Primary Schools.

Team welfare, well-being and recognition are always a priority, and the stability of our permanent team reflects this. A commitment to education and training, celebrating individual milestones and keeping our salaries in the upper quartile for the early years sector are all important parts of this commitment. During this year we implemented an additional increase in fees in order to continue to keep our salaries ahead of the large increase in National Living Wage.

The impact of the minibus thefts was felt most keenly in the diversion of time and energy away from progressing the objectives of last year's strategic review which is a frustration. We look forward to being able to move forward in 2024/25.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Our commitment to a positive impact in the Parish remains undimmed. In addition to providing community access to our woodland and playground and supporting community events we have an annual programme of activities including support for our Parish baby and toddler group and organising our annual Macmillan Coffee Morning and Parish litter pick. Over recent years we have been delighted to involve more young people through offering volunteering opportunities to support local students working towards their Duke of Edinburgh awards.

Sunflowers at Grafton

Trustees' Report

Financial review

During the 2023-24 reporting period Sunflowers at Grafton received income totalling £562,778 (2023: £456,787). The majority of this comes from childcare fees and early years funding.

Expenses total £494,402 (2023: £460,092). Salaries, property costs and consumables relating to the provision of childcare services are the highest expense items. £381 of these expenses are set against the Building and Grounds Fund set aside in 2021 for essential building and maintenance.

Funds to recover from the theft of our minibuses reached just over £59,000 by the end of the year - this total was made up of insurance monies, donations and fundraising. We spent £40,846 on grounds security, the costs associated with interim replacement vehicles and the purchase of a replacement vehicle. The remaining, just over £18,000, is carried over to 2024/25.

Trustees are pleased to report that, if we exclude the impact of the minibus thefts from income and expense figures, we see a return to a small surplus for the year.

Policy on reserves

In setting our reserves policy we are conscious of the need to ensure that sufficient reserves exist to enable normal operating activities to continue in the event of variations in income and to take account of essential unplanned expenditure in the year ahead.

The balance of unrestricted funds at the end of August 2024 was £153,172 (2023: £84,769) and includes the following designations:

- Contingency reserve £65,000 (2023: £55,000)
- General fund £88,346 (2023: £19,214)
- Building and grounds fund £10,174 (2023: £10,555)
- minibus and security £18,250 (2023: £Nil)

Trustees have assessed the risks faced by the organisation and their likely cost implications and aim to build our Contingency Reserve Fund to £114,000 which equates to 3 months of operational expenditure. Whilst our Contingency Reserve remains below the desired level trustees are comfortable with overall level of reserves and conscious that building reserves to £114,000 will be difficult to achieve.

Reserves will be monitored quarterly by the trustees, looking both at current free reserves and the forecast position for the year end. This ensures that remedial action can be taken quickly in the event of an unexpected, significant, or irreversible deficit.

Sunflowers at Grafton

Trustees' Report

Structure, governance and management

Organisational structure

Sunflowers at Grafton is a charitable company limited by guarantee. The organisation is governed by a Board of Trustees. Each trustee is required to be a director of the company. At each annual general meeting one-third of trustees must retire from office and are then entitled to stand for re-election.

The directors and board of trustees meet 4 times a year to decide on such matters as strategic policies and major decisions relating to the affairs of Sunflowers at Grafton. The board of trustees is specifically required to determine childcare fees and to take responsibility for the organisations assets.

Each of the trustees guarantees to pay the sum of £1 in the event of insolvency. A memorandum of association is in place which details the objectives and powers of the charity and it is governed by articles of association.

All trustees and volunteers give of their time freely and no remuneration or expenses were paid during the reporting period.

A Business Manager reports to the Board of Trustees and leads the Senior Leadership Team (SLT) which manages the day-to-day operations.

Trustees and officers

The trustees and officers serving during the year and since the year end were as follows:

| | |
|-----------|------------------------------------|
| Trustees: | T Reay |
| | S McCalla |
| | N Airey |
| | J Ratnage |
| | S Burkert |
| | C Tarbox |
| | G Winn (Resigned 25 November 2024) |

| | |
|-----------|-----------|
| Chairman: | J Ratnage |
|-----------|-----------|

| | |
|------------|-----------|
| Secretary: | S England |
|------------|-----------|

Disclosure of information to auditor

Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

The annual report was approved by the trustees of the charity on 2 June 2025 and signed on its behalf by:



J Ratnage
Chairman and Trustee

Sunflowers at Grafton

Statement of Trustees' Responsibilities

The trustees (who are also the directors of Sunflowers at Grafton for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they 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 its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 that can disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the trustees of the charity on 2 June 2025 and signed on its behalf by:



J Ratnage
Chairman and trustee

Sunflowers at Grafton

Independent Auditor's Report to the Members of Sunflowers at Grafton

Opinion

We have audited the financial statements of Sunflowers at Grafton (the 'charity') for the year ended 31 August 2024, which comprise the Statement of Financial Activities, Balance Sheet, 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 United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 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 auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 charity's ability to continue as a going concern for a period of at least twelve months from when the original financial statements were 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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Sunflowers at Grafton

Independent Auditor's Report to the Members of Sunflowers at Grafton

Opinion on other matter prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters 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.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 7), the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

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

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

Our audit procedures are designed primarily to express an opinion on the financial statements as a whole and, consequently, do not provide absolute assurance that all irregularities, including fraud, will be detected. However, in designing our audit, we considered the charity's internal controls relevant to the preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances. These procedures included inquiries of management, analytical review, testing of selected transactions, and evaluation of the overall control environment.

While the risk of not detecting a material misstatement due to fraud is higher than for one resulting from error, we have exercised professional skepticism throughout the audit and considered the possibility of management override of controls or collusion. Based on the procedures performed, we did not identify any material irregularities or instances of fraud during the audit period.

Sunflowers at Grafton

Independent Auditor's Report to the Members of Sunflowers at Grafton

Use of our report

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.



(Senior Statutory Auditor)

For and on behalf of Sansum & Co Limited, Statutory Auditor

1 Meadow View
High Street
Burbage
SN8 3AF

25 June 2025

Sunflowers at Grafton

Statement of Financial Activities for the Year Ended 31 August 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted £ | Restricted £ | Total 2024 £ |
|------------------------------------|------|-------------------|-----------------|--------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 3 | 39,894 | - | 39,894 |
| Charitable activities | 4 | 489,349 | 10,615 | 499,964 |
| Other income | 5 | 22,920 | - | 22,920 |
| Total Income | | 552,163 | 10,615 | 562,778 |
| Expenditure on: | | | | |
| Raising funds | | (783) | - | (783) |
| Charitable activities | 6 | (481,925) | (9,271) | (491,196) |
| Other expenditure | 7 | (1,175) | (1,248) | (2,423) |
| Total Expenditure | | (483,883) | (10,519) | (494,402) |
| Net income | | 68,280 | 96 | 68,376 |
| Net movement in funds | | 68,280 | 96 | 68,376 |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 84,769 | 2,884 | 87,653 |
| Total funds carried forward | 19 | 153,049 | 2,980 | 156,029 |

The notes on pages 14 to 25 form an integral part of these financial statements.

Sunflowers at Grafton

Statement of Financial Activities for the Year Ended 31 August 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

For the year ended 31 August 2023

| | Note | Unrestricted £ | Restricted £ | Total 2023 £ |
|------------------------------------|------|-------------------|-----------------|--------------------|
| Income and Endowments from: | | | | |
| Donations and legacies | 3 | 1,377 | - | 1,377 |
| Charitable activities | 4 | 433,584 | 4,500 | 438,084 |
| Other income | 5 | 17,326 | - | 17,326 |
| Total Income | | 452,287 | 4,500 | 456,787 |
| Expenditure on: | | | | |
| Charitable activities | 6 | (438,608) | (2,108) | (440,716) |
| Other expenditure | 7 | (18,868) | (508) | (19,376) |
| Total Expenditure | | (457,476) | (2,616) | (460,092) |
| Net (expenditure)/income | | (5,189) | 1,884 | (3,305) |
| Net movement in funds | | (5,189) | 1,884 | (3,305) |
| Reconciliation of funds | | | | |
| Total funds brought forward | | 89,958 | 1,000 | 90,958 |
| Total funds carried forward | 19 | 84,769 | 2,884 | 87,653 |

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2023 is shown in note 19.

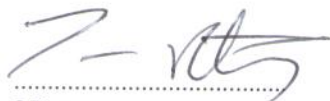
The notes on pages 14 to 25 form an integral part of these financial statements.

Sunflowers at Grafton

(Registration number: 08100944)
Balance Sheet as at 31 August 2024

| | Note | 2024 £ | 2023 £ |
|---|------|-----------------|-----------------|
| Fixed assets | | | |
| Tangible assets | 14 | 36,228 | 7,015 |
| Current assets | | | |
| Debtors | 15 | 21,717 | 24,502 |
| Cash at bank and in hand | 16 | <u>121,141</u> | <u>69,346</u> |
| | | 142,858 | 93,848 |
| Creditors: Amounts falling due within one year | 17 | <u>(23,057)</u> | <u>(13,210)</u> |
| Net current assets | | <u>119,801</u> | <u>80,638</u> |
| Net assets | | <u>156,029</u> | <u>87,653</u> |
| Funds of the charity: | | | |
| Restricted income funds | | | |
| Restricted funds | 19 | 2,857 | 2,884 |
| Unrestricted income funds | | | |
| Unrestricted funds | | <u>153,172</u> | <u>84,769</u> |
| Total funds | 19 | <u>156,029</u> | <u>87,653</u> |

The financial statements on pages 11 to 25 were approved by the trustees, and authorised for issue on 2 June 2025 and signed on their behalf by:



J Ratnage
Chairman and Trustee

The notes on pages 14 to 25 form an integral part of these financial statements.

Sunflowers at Grafton

Notes to the Financial Statements for the Year Ended 31 August 2024

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Sunflowers at Grafton

East Grafton

Marlborough

SN8 3DB

These financial statements were authorised for issue by the trustees on 2 June 2025.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

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)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Basis of preparation

Sunflowers at Grafton meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of the income receivable can be measured reliably.

Sunflowers at Grafton

Notes to the Financial Statements for the Year Ended 31 August 2024

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Investment income

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These costs are incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Charitable activities

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

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Sunflowers at Grafton

Notes to the Financial Statements for the Year Ended 31 August 2024

Tangible fixed assets

Individual fixed assets costing £250.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

| Asset class | Depreciation method and rate |
|--------------------------------|-------------------------------------|
| Office equipment | 33% straight line |
| Pre-school & nursery equipment | 33% straight line |
| Fixtures & fittings | 33% straight line |
| Motor vehicles | 20% straight line |
| Leasehold improvements | 10% straight line |

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Sunflowers at Grafton

Notes to the Financial Statements for the Year Ended 31 August 2024

Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

Sunflowers at Grafton

Notes to the Financial Statements for the Year Ended 31 August 2024

3 Income from donations and legacies

| | Unrestricted funds General £ | Total funds £ |
|--|---------------------------------------|---------------------|
| Donations and legacies; Donations from individuals and events | 39,894 | 39,894 |
| Total for 2024 | 39,894 | 39,894 |
| Total for 2023 | 1,377 | 1,377 |

4 Income from charitable activities

| | Unrestricted funds General £ | Restricted funds £ | Total funds £ |
|-----------------------|---------------------------------------|--------------------------|---------------------|
| Childcare income | 489,349 | 10,615 | 499,964 |
| Total for 2024 | 489,349 | 10,615 | 499,964 |
| Total for 2023 | 433,584 | 4,500 | 438,084 |

5 Other income

| | Unrestricted funds General £ | Total funds £ |
|--------------------------|---------------------------------------|---------------------|
| Minibus and other income | 22,920 | 22,920 |
| Total for 2024 | 22,920 | 22,920 |
| Total for 2023 | 17,326 | 17,326 |

Sunflowers at Grafton

Notes to the Financial Statements for the Year Ended 31 August 2024

6 Expenditure on charitable activities

| | | Unrestricted funds | | Restricted funds | Total funds |
|-------------------------|------|--------------------|----------------|------------------|----------------|
| | Note | Designated £ | General £ | £ | £ |
| Childcare income | | - | 32,866 | 6,017 | 38,883 |
| Staff costs | | - | 383,166 | 3,200 | 386,366 |
| Allocated support costs | 8 | - | 56,602 | 54 | 56,656 |
| Governance costs | 8 | - | 9,291 | - | 9,291 |
| Total for 2024 | | <u>-</u> | <u>481,925</u> | <u>9,271</u> | <u>491,196</u> |
| Total for 2023 | | <u>4,178</u> | <u>434,430</u> | <u>2,108</u> | <u>440,716</u> |

In addition to the expenditure analysed above, there are also governance costs of £9,291 (2023 - £3,653) which relate directly to charitable activities. See note 8 for further details.

7 Other expenditure

| | | Unrestricted funds | | Restricted funds | Total funds |
|--|------|--------------------|---------------|------------------|---------------|
| | Note | Designated £ | General £ | £ | £ |
| Staff costs | | | | | |
| Wages and salaries | | - | 4,976 | - | 4,976 |
| Other staff costs | | - | 329 | 625 | 954 |
| Depreciation, amortisation and other similar costs | | 381 | (14,676) | 623 | (13,672) |
| Minibus expenditure | | <u>-</u> | <u>10,165</u> | <u>-</u> | <u>10,165</u> |
| Total for 2024 | | <u>381</u> | <u>794</u> | <u>1,248</u> | <u>2,423</u> |
| Total for 2023 | | <u>267</u> | <u>18,601</u> | <u>508</u> | <u>19,376</u> |

Sunflowers at Grafton

Notes to the Financial Statements for the Year Ended 31 August 2024

8 Analysis of governance costs

Governance costs

| | Unrestricted funds General £ | Total funds £ |
|---|---|------------------------------|
| Independent examiner fees | | |
| Examination of the financial statements | 7,860 | 7,860 |
| Other fees paid to examiners | 1,089 | 1,089 |
| Legal fees | 342 | 342 |
| Total for 2024 | 9,291 | 9,291 |
| Total for 2023 | 3,653 | 3,653 |

9 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

| | 2024 £ | 2023 £ |
|---|-------------------|-------------------|
| Loss on disposal of fixed assets held for the charity's own use | (18,526) | - |
| Depreciation of fixed assets | 4,854 | 3,688 |

10 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

11 Staff costs

The aggregate payroll costs were as follows:

| | 2024 £ | 2023 £ |
|--|-------------------|-------------------|
| Staff costs during the year were: | | |
| Wages and salaries | 377,611 | 348,123 |
| Pension costs | 11,698 | 9,095 |
| Other staff costs | 2,987 | 2,112 |
| | 392,296 | 359,330 |

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

Sunflowers at Grafton

Notes to the Financial Statements for the Year Ended 31 August 2024

| | 2024 No | 2023 No |
|------------------------------------|------------|------------|
| Average number of persons employed | <u>15</u> | <u>15</u> |

No employee received emoluments of more than £60,000 during the year.

12 Independent examiner's remuneration

| | 2024 £ | 2023 £ |
|---|--------------|--------------|
| Examination of the financial statements | <u>7,860</u> | <u>1,428</u> |
| Other fees to examiners | | |
| All other services | <u>1,089</u> | <u>1,031</u> |

13 Taxation

The charity is a registered charity and is therefore exempt from taxation.

14 Tangible fixed assets

| | Land and buildings £ | Furniture and equipment £ | Motor vehicles £ | Other tangible fixed asset £ | Total £ |
|-------------------------|----------------------------|---------------------------------|---------------------|------------------------------------|-----------------|
| Cost | | | | | |
| At 1 September 2023 | 9,249 | 4,359 | 26,230 | 22,463 | 62,301 |
| Additions | 2,869 | 635 | 30,000 | 617 | 34,121 |
| Disposals | <u>-</u> | <u>-</u> | <u>(26,110)</u> | <u>-</u> | <u>(26,110)</u> |
| At 31 August 2024 | <u>12,118</u> | <u>4,994</u> | <u>30,120</u> | <u>23,080</u> | <u>70,312</u> |
| Depreciation | | | | | |
| At 1 September 2023 | 5,583 | 4,026 | 26,230 | 19,447 | 55,286 |
| Charge for the year | 1,060 | 489 | 1,250 | 2,109 | 4,908 |
| Eliminated on disposals | <u>-</u> | <u>-</u> | <u>(26,110)</u> | <u>-</u> | <u>(26,110)</u> |
| At 31 August 2024 | <u>6,643</u> | <u>4,515</u> | <u>1,370</u> | <u>21,556</u> | <u>34,084</u> |
| Net book value | | | | | |
| At 31 August 2024 | <u>5,475</u> | <u>479</u> | <u>28,750</u> | <u>1,524</u> | <u>36,228</u> |
| At 31 August 2023 | <u>3,666</u> | <u>333</u> | <u>-</u> | <u>3,016</u> | <u>7,015</u> |

Included within the net book value of land and buildings above is £Nil (2023 - £Nil) in respect of freehold land and buildings and £5,475 (2023 - £4,515) in respect of leaseholds.

Sunflowers at Grafton

Notes to the Financial Statements for the Year Ended 31 August 2024

15 Debtors

| | 2024 | 2023 |
|---------------|---------------|---------------|
| | £ | £ |
| Trade debtors | 11,971 | 19,755 |
| Prepayments | 4,601 | 4,058 |
| Other debtors | 5,145 | 689 |
| | <u>21,717</u> | <u>24,502</u> |

Trade debtors include debt that is not currently due for payment totalling £11,062 (2023: £5,784)

16 Cash and cash equivalents

| | 2024 | 2023 |
|--------------|----------------|---------------|
| | £ | £ |
| Cash at bank | <u>121,141</u> | <u>69,346</u> |

17 Creditors: amounts falling due within one year

| | 2024 | 2023 |
|-----------------|---------------|---------------|
| | £ | £ |
| Trade creditors | 2,811 | 657 |
| Other creditors | 9,297 | 7,256 |
| Accruals | 10,949 | 5,297 |
| | <u>23,057</u> | <u>13,210</u> |

18 Pension and other schemes

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £11,698 (2023 - £9,095).

Sunflowers at Grafton

Notes to the Financial Statements for the Year Ended 31 August 2024

19 Funds

| | Balance at 1 September 2023 £ | Incoming resources £ | Resources expended £ | Transfers £ | Balance at 31 August 2024 £ |
|---|--|----------------------------|----------------------------|----------------|--------------------------------------|
| Unrestricted funds | | | | | |
| <i>General</i> | | | | | |
| General funds | 19,214 | 552,163 | (483,379) | (28,250) | 59,748 |
| <i>Designated</i> | | | | | |
| Contingency reserve | 55,000 | - | - | 10,000 | 65,000 |
| Buildings and grounds - essential mainenance and improvements | 10,555 | - | (381) | - | 10,174 |
| Minibus and security | - | - | - | 18,250 | 18,250 |
| | <u>65,555</u> | <u>-</u> | <u>(381)</u> | <u>28,250</u> | <u>93,424</u> |
| Total unrestricted funds | <u>84,769</u> | <u>552,163</u> | <u>(483,760)</u> | <u>-</u> | <u>153,172</u> |
| Restricted funds | | | | | |
| Grant income | 500 | 3,825 | (4,325) | - | - |
| Inclusion funding | <u>2,384</u> | <u>6,790</u> | <u>(6,317)</u> | <u>-</u> | <u>2,857</u> |
| Total restricted funds | <u>2,884</u> | <u>10,615</u> | <u>(10,642)</u> | <u>-</u> | <u>2,857</u> |
| Total funds | <u>87,653</u> | <u>562,778</u> | <u>(494,402)</u> | <u>-</u> | <u>156,029</u> |

Sunflowers at Grafton

Notes to the Financial Statements for the Year Ended 31 August 2024

| | Balance at 1 September 2022 £ | Incoming resources £ | Resources expended £ | Balance at 31 August 2023 £ |
|---|--|----------------------------|----------------------------|-----------------------------------|
| Unrestricted funds | | | | |
| <i>General</i> | | | | |
| General funds | 19,958 | 452,106 | (452,850) | 19,214 |
| <i>Designated</i> | | | | |
| Contingency reserve | 55,000 | - | - | 55,000 |
| Buildings and grounds - essential maintenance and improvements | 15,000 | - | (4,445) | 10,555 |
| | <u>70,000</u> | <u>-</u> | <u>(4,445)</u> | <u>65,555</u> |
| Total unrestricted funds | <u>89,958</u> | <u>452,106</u> | <u>(457,295)</u> | <u>84,769</u> |
| Restricted | | | | |
| Grant income | 1,000 | - | (500) | 500 |
| Inclusion funding | - | 4,500 | (2,116) | 2,384 |
| Total restricted funds | <u>1,000</u> | <u>4,500</u> | <u>(2,616)</u> | <u>2,884</u> |
| Total funds | <u>90,958</u> | <u>456,606</u> | <u>(459,911)</u> | <u>87,653</u> |

20 Analysis of net assets between funds

At 31 August 2024

| | Unrestricted funds | | Restricted funds | Total funds at 31 August 2024 |
|-----------------------|--------------------|-----------------|---------------------|-------------------------------------|
| | General £ | Designated £ | £ | £ |
| Tangible fixed assets | 34,027 | 1,209 | 992 | 36,228 |
| Current assets | 77,028 | 63,965 | 1,865 | 142,858 |
| Current liabilities | <u>(23,057)</u> | <u>-</u> | <u>-</u> | <u>(23,057)</u> |
| Total net assets | <u>87,998</u> | <u>65,174</u> | <u>2,857</u> | <u>156,029</u> |

At 31 August 2023

| | Unrestricted funds | | Restricted funds | Total funds at 31 August 2023 |
|-----------------------|--------------------|-----------------|---------------------|-------------------------------------|
| | General £ | Designated £ | £ | £ |
| Tangible fixed assets | 4,341 | 1,590 | 1,084 | 7,015 |
| Current assets | 28,083 | 63,965 | 1,800 | 93,848 |
| Current liabilities | <u>(13,210)</u> | <u>-</u> | <u>-</u> | <u>(13,210)</u> |
| Total net assets | <u>19,214</u> | <u>65,555</u> | <u>2,884</u> | <u>87,653</u> |

Sunflowers at Grafton

Notes to the Financial Statements for the Year Ended 31 August 2024

21 Off-balance sheet arrangements

The charity has entered into a lease agreement for the use of a minibus. As at 31 August 2024 the charity is committed to pay £nil (2023: £3,600) over the term of the lease.

22 Analysis of net funds

| | At 1 September 2023 £ | Financing cash flows £ | At 31 August 2024 £ |
|--------------------------|--|---------------------------------------|------------------------------------|
| Cash at bank and in hand | 69,346 | 51,795 | 121,141 |
| Net funds | 69,346 | 51,795 | 121,141 |

| | At 1 September 2022 £ | Financing cash flows £ | At 31 August 2023 £ |
|--------------------------|--|---------------------------------------|------------------------------------|
| Cash at bank and in hand | 75,461 | (6,115) | 69,346 |
| Net funds | 75,461 | (6,115) | 69,346 |