

Charitable Incorporated Organisation - Registration number: 1154939

Kamelia Kids

Annual Report and Financial Statements
for the Year Ended 31 December 2022

Hodson & Co
Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL



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Kamelia Kids

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Kamelia Kids

Reference and Administrative Details

Charity Registration Number	1154939
Patron	Lady Emma Barnard
Chair	K Haffenden
Trustees	P R Jarman L Smith G Launders K Thompson K Haffenden P Byfield A Harvey (resigned 29/06/22)
Nursery Operations Director	S Charlesworth
Charity Communications Manager	D Calderwood (retired 29/03/23)
Principal Office	Wellesley Avenue Goring By Sea Worthing West Sussex BN12 4PN The charity is incorporated in England and Wales.
Bankers	HSBC Bank Warwick Street, Worthing 1 Warwick Street Worthing West Sussex BN11 3DE
Auditor	Matthew Hodson FCA Hodson & Co Wiston House 1 Wiston Avenue Worthing West Sussex BN14 7QL

Kamelia Kids

Trustees' Report

The Trustees' present the annual report together with the financial statements and auditors' report of the charity for the year ended 31 December 2022.

The accounts have been prepared in accordance with the accounting policies set out in note 2 to the accounts and comply with the Charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Objectives and activities

Objects and aims

The objects of the Charity are as follows:

"To support all children particularly those with special and additional needs due to sickness, physical or mental disability, poverty or social and economic circumstances through the provision of facilities, help and education, including support to their families and carers, to enable them to achieve the best possible educational, developmental and other outcomes."

Objectives, strategies and activities

The Charity continues to fulfil its objects through the provision of early years learning and development to children of all abilities within a fully inclusive and integrated environment. The activities continue to be provided from the purpose-built premises in Goring by Sea and our beach hut on Goring seafront.

The Early Years Foundation Stage (EYFS) is the statutory framework for all early year's providers in England and sets the standards that all early year's providers must meet. Ofsted regulate and inspect all early year's providers against the safeguarding and welfare requirements and areas of learning to determine how well children are kept safe and healthy.

Kamelia Kids pedagogy focuses on providing an inclusive and rich learning environment to prepare children for life in the twenty first century. Moreover, it aspires to give children the best start in life and to help them grow and develop into emotionally healthy individuals. Kamelia Kids curriculum is guided by the four overarching principles of the EYFS:

- Unique child
- Positive relationships
- Enabling environments
- Learning and developing

Careful thought is given to inform our enabling environments (indoors and outdoors), to provide resources, activities, and learning opportunities to meet each child's unique requirements, our curriculum is very flexible and responsive to follow children's interests and those totally unplanned learning opportunities that sometimes come out of the blue, such as it unexpectedly snowing, etc!

Play is at the core of learning, together with play-based experiences we have designed our curriculum to encourage children to learn, develop and flourish through exploring, experiencing, creating, discovering, relating to, and interacting with the world around them.

Assessment plays an important part in helping practitioners to recognise children's progress, understand their needs, and to plan experiences and activities that support children to move forward. Ongoing informative assessment involves practitioners knowing children's level of achievement and interest, and then shaping teaching and learning experiences for each child reflecting that knowledge.

The notes on pages 17 to 29 form an integral part of these financial statements.

Kamelia Kids

Trustees' Report

Staff recruitment and retention in the Early Years sector has been a challenge but Kamelia Kids Apprenticeship programme has helped to ensure we have a great team of strong educators that are equipped with the skills, knowledge, and patience to gain the best understanding of each child and their needs. In addition to the mandatory training for all staff qualified staff are actively encouraged to study for further Early Years qualifications with achievements being recognised through our policy of internal promotions and career advancements.

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.

Kamelia Kids

Trustees' Report

Achievements and performance

The nursery is regulated by OFSTED and currently has an OFSTED rating of 'Good' in all areas.

The significant growth in nursery occupancy that we experienced in 2021 has continued throughout 2022, albeit at a slower pace, with the SEND children accounting for 33% of our total children on register. Kamelia Kids operates a policy of continuous professional development and training to upskill the staff and remain relevant in today's rapidly changing world. Two of our Apprentices successfully completed their Apprenticeship to become qualified Level 3 Early Years Educators with more staff due to complete at Level 3 (Apprenticeship) and Level 5 (Leadership and Management) in 2023 and 2024. We currently employ several graduate level early years educators and two Early years Teachers.

The special educational needs and disabilities (SEND) team was reorganised following the departure of our SENDCO in September. The successful completion of the Cache Level 3 Early Years SENDCO Award Training Programme by the Assistant SENDCO was recognised by way of promotion to SENDCO Lead along with internal promotion of another employee leading to two SENDCO Leads being appointed working together utilising their different skillsets and knowledge of the nursery. Kamelia Kids has a great staff team of strong educators who are equipped with the skills, knowledge, and patience to gain the best understanding of each child and their needs.

Staff health and wellbeing has been an important focus throughout 2022 with improvements being made to the working environment and the introduction of an Employee Assistance Programme which provides a wide variety of resources and support including access to counselling.

Security and safeguarding have been another focus this year with investment in new front doors and a new intercom system to enhance the security of the building and the safeguarding of the children.

Kamelia Kids commitment to sustainability has seen a refurbishment of the laundry room to accommodate a new industrial washing machine and tumble dryer both of which are more efficient and eco-friendlier. In turn this has enabled the nursery to use washable cloths instead of disposable wipes and has freed up a considerable amount of staff time.

The vegetable garden has proved to be a great success with developing the children's learning experience, teaching children patience, responsibility, developing their fine motor skills and promoting healthy eating as well as enjoying the food that was grown. Kamelia Kids successfully completed the five levels of the Royal Horticultural Society (RHS) School Gardening Award winning gardening vouchers which have been used to buy more plants and an apple tree which was planted in memory of the late Queen. Kamelia Kids also exhibited a 'bug hotel' at The Hampton Court Palace Garden Festival in July helping to highlight the importance of wildlife in our ecosystem.

The beach garden had a make-over in the summer with a new boat named The Queen Elizabeth II to commemorate the Queen's Platinum Jubilee. The boat has been a great resource to develop the children's imagination and encourage role-play. Due to the pandemic many children have not had experiences of travel, so the boat is a great way to introduce the idea of travel and even simple things like walking on the pebbles in the beach garden enriches their sensory skills.

Water butts have been installed in all gardens with the dual purpose of plant watering and for water play enhancing so many skills whilst having fun.

The notes on pages 17 to 29 form an integral part of these financial statements.

Kamelia Kids

Trustees' Report

West Sussex County Council ran an Early Years Development Programme 'Building on Success' which two of our senior staff members completed. The initiative was aimed at developing skills to improve children's speech and language following the impact of the pandemic. The staff introduced a vocabulary flower and book themes to encourage the children to learn new words every day thus increasing children's vocabulary and introducing topics like oral health and nutrition.

Children join Kamelia Kids at different stages of their development and need bespoke support to enable them to make progress. Over the past year, from our observations and assessments, we have seen some progress in children's understanding and being able to manage their emotions. For some children their lived experiences means that they have feelings, such as anger and frustration, which can be overwhelming, resulting in losing control of their emotions. From this starting point we have focused on providing a variety of support strategies and activities such as books which enables the children to learn about different emotions and by talking about them during everyday play interactions, staff can use strategies to help the children name and explore these emotions, consequently we have seen an increase in children being able to name and describe how they feel and are able to use sand timers themselves to manage situations involving sharing and turn taking with their peers.

Kamelia Kids SENDCO was involved in the local authority's development of Ordinarily Available Inclusive Practise which was implemented across West Sussex in September 2022. The idea behind the initiative is to support and train staff within their own nursery and to help streamline the administration process involved in claiming Inclusion Funding which has been significantly reduced over recent years. With around 33% of the children registered with us, having a Special Educational Need or Disability including complex medical needs requiring specialist care this continues to impact the nursery's financial situation. A further 15% of our children experience a range of milder educational needs and behavioural difficulties such as poor verbal communication skills, reduced mobility, or struggle to understand, express their emotions or make confident, independent choices with challenging behaviour ensuing. The remaining 52% are 'mainstream' children.

The Discretionary Charitable Discount (DCD) introduced during the pandemic to support some families whereby Kamelia Kids waives part or all the nursery fees and/or cost of hot lunches on a temporary or ongoing basis depending on the circumstances of the child continues to be invaluable to our families during the current cost of living crisis. By offering this charitable discount we can be sure that children with vulnerable backgrounds and/or living in households experiencing financial difficulty are able to attend nursery sessions, get a hot meal, be cared for in a safe environment and provided with some stability and continuity in their lives. During 2022 the Charitable discretionary discount given amounted to £20,016 (2021 £15,835).

The Snowdrop project was inspired by an increasing need for more childcare for disadvantaged families who are eligible for, or are in receipt of, the universal 15 hours of Free Entitlement funding. The project was launched in 2021 providing additional Early Years Funded sessions during term time for pre-school children of families experiencing financial hardship or other challenges and that do not require or cannot afford our regular day nursery sessions. The Snowdrop initiative continues to benefit 30 families.

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Trustees' Report

Financial review

The substantial growth achieved in 2021 has been maintained in 2022 with net income of £155k.

Restricted Funding received during 2022 was much lower than in previous years mainly because the projects we needed to do e.g., new front doors, refurbishment of the laundry room, were not the sort of projects funders were looking to support. The main funding for the year was from: -

SENDSCO project £13k

BBC Children in Need Money Management Skills £1k

BBC Children in Need Cost of Living additional grant £0.5k

Co-op Community Fund £1.9k

West Sussex County Council £2.3k

Local fundraising and donation support was up by £1k on last year to £5.8k with the Sussex British Owners Motorcycle club returning to their pre-Covid annual donation of £3k.

Staff salaries continue to be our main expenditure.

Total income from activities has increased by 23% from £857,204 in 2021 to £1,054,478 in 2022, with expenditure increasing from £704,311 in 2021 to £926,213 in 2022. The net income for 2022 was £128,265 compared to £152,893 in 2021. Unrestricted reserves not invested in property at 31st December 2022 increased significantly to £374,111 (2021 £223,607) of which £34,269 (2021 £24,700) was invested in fixtures and equipment. Currently the level of free reserves is £339,842 (2021 £198,907).

The senior management team (SMT) are intent on achieving continuous improvement in the financial stability and efficiency of the nursery despite the impact of the cost of living rises and the continued underfunding of the government 'Free' Entitlement.

Policy on reserves

The Trustees have reviewed their policy, considering guidance by the Charity Commission, so as to establish an acceptable level of reserves which is the cornerstone of the prudent financial management of the Charity.

Based on six months running costs, the aspiration of the Trustees is to hold sufficient unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the Charity. This amounts to approximately £400k, currently the level of free reserves is £339,842 (2021 £198,907). The trustees continue to monitor this closely to safeguard the 'free reserves' and continue to increase them to an appropriate level.

Going concern

Kamelia Kids has continued to grow in this last year and with the free reserves now standing at £339,842 the Trustees are confident that Kamelia Kids has a sound future.

The notes on pages 17 to 29 form an integral part of these financial statements.

Kamelia Kids

Trustees' Report

Plans for future periods

Aims and key objectives for future periods

The Quality Improvement and Business Development Plan with its short, medium and long-term objectives, guiding principles and outcomes has been progressed during 2022 with the five key areas previously identified (SEND, Communication and Language, Physical, Oral Health and Nutrition, Outside Gardens and Play Area, Sustainability – environmentally and financially) being addressed in 2022. Going forward the priorities for 2023 will focus on enhancing our standards for quality learning and care and improving the outcomes for children with the three top priorities being:

- Children's Self and Co-regulation
- Children's Speech and Language
- Children's experiences of outdoor play, learning and interactions

Work has already started on this with support strategies and activities being put in place to enable the children to learn about different emotions and encouraging the children to name and describe how they feel. Quality of care remains paramount to our nursery, one way in which we plan to take the learning a stage further is by providing a range of workshops for parents such as play skills/initiation and healthy eating. It is also the intention that this will strengthen the parent/nursery partnership.

Following the success of the Vegetable Garden plans are underway for a community garden and re-wilding of part of the garden used by the pre-school children.

The Trustees have approved a £50k capital improvement spend for 2023 to upgrade/refurbish various areas in the nursery such as the staff room, the staff and visitor toilets, the entrance area, replacement of awnings and improving drainage in the gardens as well as installing CCTV in all the rooms and gardens and an upgrade of IT equipment.

Trustees and officers

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

Trustees:	P R Jarman
	L Smith
	G Launders
	K Thompson
	K Haffenden
	P Byfield
	A Harvey (resigned 29/06/22)

Structure, governance and management

Nature of governing document

The Charity became a Charitable Incorporated Organisation (CIO) with a revised Constitution and a new charity number (1154939) in December 2013. For accounting purposes, the transfer was effective from 1st January 2014. A year later the Charity amended its objects and adopted the working name Kamelia Kids. In December 2019 the working name of Kamelia Kids was adopted as the legal name of the Charity.

The notes on pages 17 to 29 form an integral part of these financial statements.

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Trustees' Report

Recruitment and appointment of trustees

Trustees are elected and removed by the Board of Trustees. The maximum number of Trustees shall be 9 and the minimum shall be 3.

Induction and training of trustees

Prospective Trustees are invited to the nursery and shown the range of activities that the Charity provides, and they are also invited to attend a Trustees meeting. Once appointed Trustees undergo relevant induction training including a welcome pack.

The Board of Trustees continue to look to recruit new trustees with relevant skills.

Organisational structure

The Charity is managed by a board of Trustees who meet at least quarterly (with management attending as appropriate). The Trustees delegate overall day-to-day management of the organisation to the Nursery Operations Director. The Charity Communications Manager the Finance Manager and the two joint Deputy Nursery Managers all report directly to the Nursery Operations Director.

The Nursery is regulated by OFSTED.

Financial instruments

Objectives and policies

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

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 15 May 2023 and signed on its behalf by:



K Haffenden
Chair and Trustee

Kamelia Kids

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity 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 UK Accounting Standards 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 maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the trustees of the charity on 15 May 2023 and signed on its behalf by:



K Haffenden
Chair and Trustee

Kamelia Kids

Independent Auditor's Report to the Members of Kamelia Kids

Opinion

We have audited the financial statements of Kamelia Kids (the 'charity') for the year ended 31 December 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, 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 December 2022 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 Charities Act 2011.

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 the provisions available for small entities, in the circumstances set out in note 21 to the financial statements, 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.

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Independent Auditor's Report to the Members of Kamelia Kids

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 in relation to which the Charities (Accounts and Reports) Regulations 20087 require us to report to you if, in our opinion:

- the information given in the trustees' report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; 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 9), 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.

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

- Obtaining an understanding of the legal and regulatory frameworks that the entity operates in, focusing on those laws and regulations that had a direct effect on the financial statements;
- Enquiry of management to identify any instances of known or suspected instances of fraud;
- Enquiry of management and those charged with governance around actual and potential litigation and claims;
- Enquiry of management about any instances of non-compliance with laws and regulations;
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias;
- Reviewing minutes of meetings of those charged with governance; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Kamelia Kids

Independent Auditor's Report to the Members of Kamelia Kids

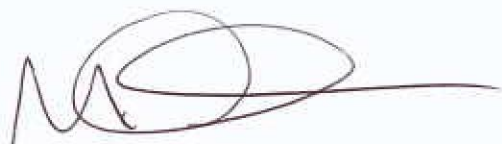
Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect noncompliance with all laws and regulations. If a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with the Charities Act 2011. Our audit work has been undertaken so that we might state to the 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 charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Matthew Hodson FCA (Senior Statutory Auditor)
For and on behalf of Hodson & Co, Statutory Auditor

Wiston House
1 Wiston Avenue
Worthing
West Sussex
BN14 7QL

15 May 2023

Kamelia Kids

Statement of Financial Activities for the Year Ended 31 December 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2022 £
Income and Endowments from:				
Donations and legacies	3	8,827	18,234	27,061
Charitable activities	4	1,009,539	11,520	1,021,059
Other trading activities	5	924	-	924
Investment income		834	-	834
Other income		4,600	-	4,600
Total income		<u>1,024,724</u>	<u>29,754</u>	<u>1,054,478</u>
Expenditure on:				
Raising funds	6	(1,915)	-	(1,915)
Charitable activities	7	<u>(880,744)</u>	<u>(43,554)</u>	<u>(924,298)</u>
Total expenditure		<u>(882,659)</u>	<u>(43,554)</u>	<u>(926,213)</u>
Net income/(expenditure)		142,065	(13,800)	128,265
Transfers between funds		<u>2,247</u>	<u>(2,247)</u>	<u>-</u>
Net movement in funds		144,312	(16,047)	128,265
Reconciliation of funds				
Total funds brought forward		<u>495,312</u>	<u>25,829</u>	<u>521,141</u>
Total funds carried forward	18	<u>639,624</u>	<u>9,782</u>	<u>649,406</u>

The notes on pages 17 to 29 form an integral part of these financial statements.

Kamelia Kids

Statement of Financial Activities for the Year Ended 31 December 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

Comparative - 31 December 2021

	Note	Unrestricted funds £	Restricted funds £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	30,335	80,474	110,809
Charitable activities	4	735,216	9,522	744,738
Other trading activities	5	522	-	522
Investment income		43	-	43
Other income		1,092	-	1,092
Total income		<u>767,208</u>	<u>89,996</u>	<u>857,204</u>
Expenditure on:				
Raising funds	6	(13,433)	-	(13,433)
Charitable activities	7	(601,556)	(89,322)	(690,878)
Total expenditure		<u>(614,989)</u>	<u>(89,322)</u>	<u>(704,311)</u>
Net income		152,219	674	152,893
Transfers between funds		6,512	(6,512)	-
Net movement in funds		158,731	(5,838)	152,893
Reconciliation of funds				
Total funds brought forward		<u>336,581</u>	<u>31,667</u>	<u>368,248</u>
Total funds carried forward	18	<u>495,312</u>	<u>25,829</u>	<u>521,141</u>

All of the charity's activities derive from continuing operations during the above two periods.
The funds breakdown for 2022 and 2021 is shown in note 18.

The notes on pages 17 to 29 form an integral part of these financial statements.

Kamelia Kids

(Registration number: 1154939)
Balance Sheet as at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	11	299,782	300,512
Current assets			
Debtors	12	6,812	4,391
Cash at bank and in hand	13	523,307	378,209
		530,119	382,600
Creditors: Amounts falling due within one year	14	(137,637)	(114,043)
Net current assets		392,482	268,557
Total assets less current liabilities		692,264	569,069
Creditors: Amounts falling due after more than one year	15	(42,858)	(47,928)
Net assets		649,406	521,141
Funds of the charity:			
Restricted income funds			
Restricted funds	18	9,782	25,829
Unrestricted income funds			
Unrestricted funds		639,624	495,312
Total funds	18	649,406	521,141

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The financial statements on pages 13 to 29 were approved by the trustees, and authorised for issue on 15 May 2023 and signed on their behalf by:



K. Haffenden
Chair and Trustee

The notes on pages 17 to 29 form an integral part of these financial statements.

Kamelia Kids

Statement of Cash Flows for the Year Ended 31 December 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income		128,265	152,893
Adjustments to cash flows from non-cash items			
Depreciation	7	15,921	18,664
Investment income		<u>(834)</u>	<u>(43)</u>
		143,352	171,514
Working capital adjustments			
Increase in debtors	12	(2,421)	(243)
Increase in creditors	14	<u>23,594</u>	<u>45,220</u>
Net cash flows from operating activities		<u>164,525</u>	<u>216,491</u>
Cash flows from investing activities			
Interest receivable and similar income		834	43
Purchase of tangible fixed assets	11	(16,232)	(10,770)
Sale of tangible fixed assets		<u>1,041</u>	<u>-</u>
Net cash flows from investing activities		(14,357)	(10,727)
Cash flows from financing activities			
Repayment of loans and borrowings	14	<u>(5,070)</u>	<u>(2,072)</u>
Net increase in cash and cash equivalents		145,098	203,692
Cash and cash equivalents at 1 January		<u>378,209</u>	<u>174,517</u>
Cash and cash equivalents at 31 December		<u><u>523,307</u></u>	<u><u>378,209</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

The notes on pages 17 to 29 form an integral part of these financial statements.

Kamelia Kids

Notes to the Financial Statements for the Year Ended 31 December 2022

1 Charity status

The charity is a charitable incorporated organisation, incorporated in England and Wales under the Charities Act 2011. The address of the registered office is provided in Reference and administrative details. Details of the charity's operations are provided in the Report of the Trustees.

The principal place of business is:

Wellesley Avenue
Goring By Sea
Worthing
West Sussex
BN12 4PN

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) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). The accounts include the results of the charity's operations which are described in the Trustees' report, all of which are continuing.

Basis of preparation

Kamelia Kids 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. The trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future. Accordingly, the accounts have been prepared on the basis that the charity is a going concern.

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.

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.

Kamelia Kids

Notes to the Financial Statements for the Year Ended 31 December 2022

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.

Gifts in kind

Gifts in kind are recognised in different ways dependent on how they are used by the charity:

- (i) Those donated for resale produce income when they are sold. They are valued at the amount actually realised.
- (ii) Those donated for onward transmission to beneficiaries are included in the Statement of Financial Activities as incoming resources and resources expended when they are distributed. They are valued at the amount the charity would have had to pay to acquire them.
- (iii) Those donated for use by the charity itself are included when receivable. They are valued at the amount the charity would have had to pay to acquire them.

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 are costs 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.

Governance costs

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

Tangible fixed assets

Individual fixed assets costing £500.00 or more are initially recorded at cost.

Kamelia Kids

Notes to the Financial Statements for the Year Ended 31 December 2022

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
Freehold property (beach hut)	10% straight line
Leasehold buildings, extensions and alterations	Period of lease (99 years from 11.9.78)
Property improvements	20% straight line
Equipment	20% straight line
Computer equipment	25% 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.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Kamelia Kids

Notes to the Financial Statements for the Year Ended 31 December 2022

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.

Financial instruments

Classification

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3 Income from donations and legacies

	Note	2022 £	2021 £
<u>Restricted</u>			
Individuals		50	2,004
BBC Children In Need		1,000	10,000
Trusts - various		-	18,550
Peter Harrison Foundation		8,000	8,000
West Sussex County Council		2,300	1,600
CAF Resilience Fund		-	17,685
Henry Smith Charitable Trust		5,000	10,000
Sussex Community Foundation		-	4,511
Southover Manor Educational Trust		-	8,124
Co-Op Community Fund		1,884	-
		<u>18,234</u>	<u>80,474</u>
<u>Unrestricted</u>			
Individuals		1,805	544
Trusts - other		500	2,750
Other organisations		4,650	12,976
Government grants - CJRS/Covid SSP		1,707	14,065
Gift aid		165	-
		<u>8,827</u>	<u>30,335</u>
		<u>27,061</u>	<u>110,809</u>

Kamelia Kids

Notes to the Financial Statements for the Year Ended 31 December 2022

4 Income from charitable activities

	Unrestricted funds General £	Restricted funds £	Total funds £
	1,009,539	11,520	1,021,059
Total for 2022	<u>1,009,539</u>	<u>11,520</u>	<u>1,021,059</u>
Total for 2021	<u>735,216</u>	<u>9,522</u>	<u>744,738</u>

5 Income from other trading activities

	Unrestricted funds General £	Total funds £
Fundraising income;		
Other fundraising income	924	924
Total for 2022	<u>924</u>	<u>924</u>
Total for 2021	<u>522</u>	<u>522</u>

6 Expenditure on raising funds

a) Costs of generating donations and legacies

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Note			
Marketing and publicity	1,915	1,915	2,513
Other direct costs of generating voluntary income	-	-	10,920
	<u>1,915</u>	<u>1,915</u>	<u>13,433</u>

Kamelia Kids

Notes to the Financial Statements for the Year Ended 31 December 2022

7 Expenditure on charitable activities

	Activity undertaken directly £	Activity support costs £	2022 £
Staff and support costs	591,729	160,181	751,910
Premises	64,198	17,199	81,397
Nursery expenses	69,024	220	69,244
Depreciation	14,365	1,556	15,921
Governance costs	-	5,826	5,826
	<u>739,316</u>	<u>184,982</u>	<u>924,298</u>
	Activity undertaken directly £	Activity support costs £	2021 £
Staff and support costs	461,575	111,159	572,734
Premises	39,548	17,768	57,316
Nursery expenses	40,371	-	40,371
Depreciation	17,763	665	18,428
Governance costs	-	2,029	2,029
	<u>559,257</u>	<u>131,621</u>	<u>690,878</u>

£880,744 (2021 - £601,556) of the above expenditure was attributable to unrestricted funds and £43,554 (2021 - £89,322) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £5,790 (2021 - £2,029) which relate directly to charitable activities. See note 8 for further details.

Kamelia Kids

Notes to the Financial Statements for the Year Ended 31 December 2022

8 Analysis of governance and support costs

Governance costs

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Audit fees			
Audit of the financial statements	5,790	5,790	-
Independent examiner fees			
Examination of the financial statements	-	-	1,794
Depreciation, amortisation and other similar costs	-	-	235
	<u>5,790</u>	<u>5,790</u>	<u>2,029</u>

9 Auditors' remuneration

	2022 £
Audit of the financial statements	<u>5,790</u>

10 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	665,341	509,948
Social security costs	35,830	26,781
Pension costs	<u>10,188</u>	<u>7,999</u>
	<u>711,359</u>	<u>544,728</u>

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:

	2022 No	2021 No
Direct charitable expenditure	30	22
Support costs	<u>3</u>	<u>4</u>
	<u>33</u>	<u>26</u>

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

Kamelia Kids

Notes to the Financial Statements for the Year Ended 31 December 2022

The Trustees' consider the key management personnel of the charity to consist of the Nursery Operations Director, the Charity Communications Manager, The Finance Manager, and the Deputy Nursery Manager. The total employee benefits of the key management personnel of the charity were £140,981 (2021 - £125,220).

11 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Total £
Cost			
At 1 January 2022	718,540	224,353	942,893
Additions	-	16,232	16,232
Disposals	-	(1,987)	(1,987)
At 31 December 2022	<u>718,540</u>	<u>238,598</u>	<u>957,138</u>
Depreciation			
At 1 January 2022	446,835	195,546	642,381
Charge for the year	6,192	9,729	15,921
Eliminated on disposals	-	(946)	(946)
At 31 December 2022	<u>453,027</u>	<u>204,329</u>	<u>657,356</u>
Net book value			
At 31 December 2022	<u>265,513</u>	<u>34,269</u>	<u>299,782</u>
At 31 December 2021	<u>271,705</u>	<u>28,807</u>	<u>300,512</u>

Included within the net book value of land and buildings above is £7,500 (2021 - £9,000) in respect of freehold land and buildings and £258,013 (2021 - £262,705) in respect of leaseholds.

12 Debtors

	2022 £	2021 £
Trade debtors	3,295	-
Prepayments	3,352	3,388
Other debtors	165	1,003
	<u>6,812</u>	<u>4,391</u>

13 Cash and cash equivalents

	2022 £	2021 £
Cash on hand	254	68
Cash at bank	36,219	67,160
Short-term deposits	486,834	310,981
	<u>523,307</u>	<u>378,209</u>

Kamelia Kids

Notes to the Financial Statements for the Year Ended 31 December 2022

14 Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	4,256	4,244
Other taxation and social security	8,945	6,956
Other creditors	88,088	98,836
Accruals	36,348	4,007
	<u>137,637</u>	<u>114,043</u>

15 Creditors: amounts falling due after one year

	2022	2021
	£	£
Bank loans	<u>42,858</u>	<u>47,928</u>

16 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Other		
Between one and five years	<u>3,190</u>	<u>4,466</u>

17 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 £10,187 (2021 - £7,999).

Kamelia Kids

Notes to the Financial Statements for the Year Ended 31 December 2022

18 Funds

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2022 £
Unrestricted funds					
<i>General</i>					
General Fund	223,607	1,024,724	(882,659)	8,439	374,111
<i>Designated</i>					
Capital Reserve	271,705	-	-	(6,192)	265,513
Total unrestricted funds	495,312	1,024,724	(882,659)	2,247	639,624
Restricted funds					
SENDCO salary grants	10,000	8,000	(18,000)	-	-
Early Years Pupil Premium	2,513	5,919	(1,809)	-	6,623
Disability Access Fund	6,082	5,600	(10,748)	-	934
Other assets funded by grants	4,108	-	(1,861)	(2,247)	-
Salaries	-	2,000	(2,000)	-	-
Assistant SENDCO project	-	5,000	(5,000)	-	-
Health and physical development project	97	-	(97)	-	-
Snowdrop project	2,179	-	(2,179)	-	-
CalCo training	850	-	(299)	-	551
WSCC inclusion and improvement course	-	300	(300)	-	-
Money management skills	-	1,000	-	-	1,000
Vegetable garden project	-	1,935	(1,261)	-	674
Total restricted funds	25,829	29,754	(43,554)	(2,247)	9,782
Total funds	521,141	1,054,478	(926,213)	-	649,406

Kamelia Kids

Notes to the Financial Statements for the Year Ended 31 December 2022

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 December 2021 £
Unrestricted funds					
<i>General</i>					
General Fund	58,684	767,208	(614,989)	12,704	223,607
<i>Designated</i>					
Capital Reserve	277,897	-	-	(6,192)	271,705
Total unrestricted funds	336,581	767,208	(614,989)	6,512	495,312
Restricted					
SENDCO salary grants	10,000	28,000	(28,000)	-	10,000
Magic Carpet	1,952	-	(1,952)	-	-
Early Years Pupil Premium	2,651	4,602	(2,821)	(1,919)	2,513
Disability Access Fund	4,904	4,920	(3,742)	-	6,082
Other assets funded by grants	8,901	-	(4,793)	-	4,108
Sensory Garden Project	3,259	-	(3,259)	-	-
Dishwasher	-	2,004	(2,004)	-	-
Salaries	-	17,685	(17,685)	-	-
Assistant SENDCO project	-	15,511	(15,511)	-	-
Bluebell mud kitchen	-	200	(200)	-	-
Health and physical development project	-	1,300	(1,203)	-	97
Snowdrop project	-	14,624	(7,852)	(4,593)	2,179
CalCo training	-	850	-	-	850
WSCC inclusion and improvement course	-	300	(300)	-	-
Total restricted funds	31,667	89,996	(89,322)	(6,512)	25,829
Total funds	368,248	857,204	(704,311)	-	521,141

The specific purposes for which the funds are to be applied are as follows:

Grants were received from sources including the Peter Harrison Foundation, BBC Children in Need and Henry Smith Charitable Trust during the year to meet specific costs, including salaries. Grants for funding fixed assets have been transferred to general funds at the date of the purchase of the asset. Other balances carried forward are expected to be spent in 2023.

The capital reserve is a designated fund, reflecting the net book value of the freehold and leasehold buildings, which is maintained for the purposes of fulfilling the charity's principal objects and so as to distinguish such amounts from those remaining available in the General Fund to service the day to day commitments.

Kamelia Kids

Notes to the Financial Statements for the Year Ended 31 December 2022

19 Analysis of net assets between funds

	Unrestricted funds		Restricted funds	Total funds at 31 December 2022
	General	Designated		
	£	£	£	£
Tangible fixed assets	34,269	265,513	-	299,782
Current assets	520,337	-	9,782	530,119
Current liabilities	(137,637)	-	-	(137,637)
Creditors over 1 year	(42,858)	-	-	(42,858)
Total net assets	<u>374,111</u>	<u>265,513</u>	<u>9,782</u>	<u>649,406</u>

	Unrestricted funds		Restricted funds	Total funds at 31 December 2021
	General	Designated		
	£	£	£	£
Tangible fixed assets	24,700	271,705	4,107	300,512
Current assets	360,878	-	21,722	382,600
Current liabilities	(114,043)	-	-	(114,043)
Creditors over 1 year	(47,928)	-	-	(47,928)
Total net assets	<u>223,607</u>	<u>271,705</u>	<u>25,829</u>	<u>521,141</u>

20 Analysis of net funds

	At 1 January 2022	Financing cash flows	At 31 December 2022
	£	£	£
Cash at bank and in hand	<u>378,209</u>	<u>145,098</u>	<u>523,307</u>
Net debt	<u>378,209</u>	<u>145,098</u>	<u>523,307</u>

	At 1 January 2021	Financing cash flows	At 31 December 2021
	£	£	£
Cash at bank and in hand	<u>174,517</u>	<u>203,692</u>	<u>378,209</u>
Net debt	<u>174,517</u>	<u>203,692</u>	<u>378,209</u>

Kamelia Kids

Notes to the Financial Statements for the Year Ended 31 December 2022

21 APB Ethical Standards relevant circumstances

In common with many other businesses of our size and nature we use our auditors for the preparation of the financial statements.

22 Related party transactions

During the year the charity made the following related party transactions:

Nevallee Business Solutions Ltd

(K. Thompson (trustee) is also a director of Nevallee Business Solutions Ltd (NBSL) . During the year NBSL provided IT support amounting to £1,212 on normal commercial terms.)

At the balance sheet date the amount due to Nevallee Business Solutions Ltd was £101 (2021 - £Nil).