

Sowood Pre-School and Community Association

Charity number 1166047

Annual Report and Financial Statements for the year ended 31 August 2021



West Yorkshire Community Accounting Service

Sowood Pre-School and Community Association

Annual Report and Financial Statements for the year ended 31 August 2021

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Prepared by West Yorkshire Community Accounting Service

Sowood Pre-School and Community Association

Trustees' report for the year ended 31 August 2021

Reference and administrative details of the charity, its trustees and advisors

The trustees during the financial year and up to and including the date the report was approved were:

Name	Position
Malcolm James	Chair
Elizabeth Whyte	Secretary
Caroline Remmers	Treasurer

Charity number

The charity was registered with the Charity Commission for England and Wales, number 1166047, on 14 May 2016.

Principal address

Sowood Community Centre
Stainland Road
Sowood
Halifax
HX4 9HY

Bankers

National Westminster Bank Plc
1 Waterhouse Street
Halifax
HX1 1JA

Independent examiner

Helen Galvin FCCA

West Yorkshire Community Accounting Service

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Structure, governance and management

The charity is a Charitable Incorporated Organisation (CIO) formed on 14 March 2016 and is governed by a constitution as amended on the 7 February 2020.

Method of recruitment and appointment of trustees

The trustees of the charity are appointed by the members at the AGM.

Sowood Pre-School and Community Association

Trustees' report (continued) for the year ended 31 August 2021

Objectives and activities

The charity's objects

The charity is established for the public benefit:

To further or benefit the residents of Calderdale, without distinction of sex, sexual orientation, race or of political, religious or other opinions by associating together the said residents and the local authorities, voluntary and other organisations in a common effort to advance education and to provide facilities in the interests of social welfare for recreation and leisure time occupation with the objective of improving the conditions of life for the residents.

To develop and educate children and young people in particular by:

- 1) promoting their care and safety;
- 2) promoting their education and promoting parental involvement;
- 3) promoting their health and wellbeing;
- 4) providing services to support them and their families and carers;
- 5) providing services to individuals holding membership of the CIO; and
- 6) furthering the aims of the pre-school learning alliance.

The charity's main activities

We provide affordable and good quality childcare and early years education.

We look after the running and up-keep of Sowood Community Centre and promote it's use by other local groups in the community.

Public benefit statement

In setting our objectives and planning our activities our Trustees have given serious consideration to the Charity Commission's general guidance on public benefit and in particular the advancement of education.

Achievements and performance

We have been able to provide a space for community and children's groups to use where their normal venues have been closed or unable to offer public use.

We have continued to provide early years education and childcare for children and have been able to provide free school meals and vouchers in the holidays thanks to extra funding we received.

Financial review

The net payments for the year were £1,946, including net payments of £8,508 on unrestricted funds and net receipts of £6,562 on restricted funds.

At the time of signing these accounts the charity has been impacted by the global Covid-19 virus. The trustees have reassessed the charity's ability to continue for at least 12 months from the date that the accounts are approved and conclude that no material uncertainties exist that cast significant doubt on the charity's ability to meet its liabilities as they fall due.'

Sowood Pre-School and Community Association

Trustees' report (continued) for the year ended 31 August 2021

Reserves policy

The charity's free reserves, excluding fixed assets, at the year end were £44,340.

The Charity Commission guidance states that "a reserves policy is necessary to ensure that the charity manages its cash, liquid assets and debt" i.e. treasury management. The charity could be holding reserves that are too high or too low for its needs".

Expected level of reserves:

Our expected level of reserves is £40,000 - £50,000.

This is made up of four elements:

- 6 months of the annual wages costs
- 6 months of the annual running costs
- General contingency to cover any emergency situations that arise
- Build up reserves to cover a new project.

This will enable us to fund any shortfalls in income, if income does not reach expected levels.

The level of reserves as a minimum must be reviewed annually to ensure that it is at a level that is appropriate to current needs.

The preschool roll has increased slightly for 2021 but we remain cautious as Covid-19 is still affecting our running

Should the settings income stream (funded and fees) or expenditure (wages, rent, running costs, resources) exceed or fall well below the budgeted levels, then the reserves required will need to be re-established based on the cash flow requirements.

Signed on behalf of the board of trustees on 11/3/2022

M. G. James (Trustee)

Sowood Pre-School and Community Association

Independent examiner's report to the trustees of Sowood Pre-School and Community Association Charitable Incorporated Organisation ('the CIO')

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 August 2021, which are set out on pages 6 to 9.

Responsibilities and basis of report

As the charity trustees of the CIO you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the CIO's accounts as carried out under section 145 of the 2011 Act. In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

- 1 accounting records were not kept in respect of the CIO as required by section 130 of the Act; or
- 2 the accounts do not accord with those records.

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

Signed:  Name: Helen Galvin FCCA

15/3/2022

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Stringer House
34 Lupton Street
Leeds
LS10 2QW

Sowood Pre-School and Community Association

Receipts and payments account for the year ended 31 August 2021

	Notes	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Receipts					
Grants and donations	(2)	15,151	61,886	77,037	59,180
Pre-school fees		11,835	-	11,835	5,957
Fundraising		444	-	444	499
Milk funding		162	-	162	250
Uniform income		204	-	204	19
Hall hire		1,385	-	1,385	7,340
Other income		-	-	-	7
Funds transferred from unincorporated charities		-	-	-	2,288
Total receipts		29,181	61,886	91,067	75,540
Payments					
Salaries	(3)	23,918	41,107	65,025	65,037
Payroll fees		340	340	680	353
Resources and supplies		2,238	1,578	3,816	1,722
Printing, stationery and advertising		678	680	1,358	1,243
Professional fees and subscriptions		248	179	427	4,596
Utilities		6,559	6,559	13,118	11,331
Repairs and maintenance		1,027	1,026	2,053	1,324
Telephone		291	289	580	474
Caretaking		785	785	1,570	1,600
Insurance		424	424	848	1,100
Food and beverages		467	1,567	2,034	2,113
Community centre consumables		74	74	148	264
Milk		95	94	189	267
Staff training		183	182	365	343
Fundraising costs		44	45	89	82
Other expenditure		29	36	65	200
Uniform		96	96	192	-
Independent examination		193	263	456	456
Computer costs		-	-	-	614
Total payments		37,689	55,324	93,013	93,119
Net (payments) / receipts		(8,508)	6,562	(1,946)	(17,579)
Fund balances brought forward		52,848	7,407	60,255	77,834
Fund balances carried forward	(4)	44,340	13,969	58,309	60,255

Sowood Pre-School and Community Association

Statement of assets and liabilities

as at 31 August 2021

	2021	2021	2021	2020
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Cash funds				
Cash at bank	44,301	13,969	58,270	60,199
Cash in hand	39	-	39	56
Total cash funds	<u>44,340</u>	<u>13,969</u>	<u>58,309</u>	<u>60,255</u>
Other monetary assets			£	
Hall hire			1,145	
Prepaid insurance			494	
			<u>1,639</u>	
Assets retained for the charity's own use				
Two printers				
Laptops				
Various play equipment and furniture				
Liabilities			£	
Independent examination			480	
Printing and advertising			203	
Pension			160	
Utilities			265	
Caretaking			130	
Payroll fees			58	
			<u>1,296</u>	

Approval of the accounts

The financial statements were approved by the board of trustees on 11/3/2022

M. G. James (Trustee)

Sowood Pre-School and Community Association

Notes to the accounts continued

for the year ended 31 August 2021

1 Accounting policies

Basis of accounting

The trustees have taken advantage of section 133 of the Charities Act 2011 and have prepared the accounts on a receipts and payments basis.

There has been no change to the accounting policies since last year.

No changes have been made to the accounts for previous years.

Taxation

As a charity the organisation benefits from rates relief and is generally exempt from income tax and capital gains tax but not from VAT. Irrecoverable VAT is included in the cost of those items to which it relates.

Fund accounting

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

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

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

2 Grants and donations

	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Calderdale Council	14,573	58,883	73,456	54,940
HM Revenue and Customs	-	2,403	2,403	4,173
Community Foundation for Calderdale	-	600	600	-
Donations	578	-	578	67
	<u>15,151</u>	<u>61,886</u>	<u>77,037</u>	<u>59,180</u>

3 Staff costs and numbers

	2021 £	2020 £
Gross salaries	64,172	64,286
Social security costs	2,342	1,974
Employment allowance	(2,342)	(1,974)
Pensions	853	751
	<u>65,025</u>	<u>65,037</u>

The average number employees during the year was 5.9, being an average of 4.3 full time equivalent (2020: 6, 4.4 FTE). There were no employees with emoluments above £60,000.

Defined contribution pension scheme

	2021 £	2020 £
Costs of the scheme to the charity for the year	853	751
Amount of any contributions outstanding at the year end	160	152

Sowood Pre-School and Community Association

Notes to the accounts continued

for the year ended 31 August 2021

4 Restricted funds	Balance b/f	Incoming	Outgoing	Transfers	Balance c/f
	£	£	£	£	£
Lloyds Bank plc	740	-	133	-	607
Early Education Funding	6,667	53,326	46,631	-	13,362
Inclusion funding	-	3,180	3,180	-	-
CFFC Grant	-	600	600	-	-
HMRC JRS	-	2,403	2,403	-	-
EYPP & Deprivation	-	2,377	2,377	-	-
	<u>7,407</u>	<u>61,886</u>	<u>55,324</u>	<u>-</u>	<u>13,969</u>

Fund name	Purpose of restriction
Lloyds Bank plc	To create a sensory garden.
Early Education Funding	For the supply of free early years provision for 2 to 4 year olds.
Inclusion funding	To provide one to one support and resources for children with Special Educational Needs and Disability (SEND).
CFFC Grant	Towards providing food vouchers for some of our families to buy meals during the Easter holidays.
HMRC JRS	For staff who have been furloughed due to Covid-19.
EYPP & Deprivation	To provide hot meals, extra sessions and resources to help learning and development of children from low income families.

5 Related party transactions

Trustee expenses

No trustee received any expenses during this year or the previous year.

Trustee remuneration and benefits

No trustee received any remuneration or benefit during this or the previous year.