

Sowood Pre-School and Community Association

Charity number 1166047

Annual Report and Financial Statements for the year ended 31 August 2022



West Yorkshire Community Accounting Service

Sowood Pre-School and Community Association

Annual Report and Financial Statements for the year ended 31 August 2022

Contents	Page
Trustees' report	2 to 4
Examiner's report	5
Receipts and payments account	6
Statement of assets and liabilities	7
Notes to the accounts	8 to 9

Prepared by West Yorkshire Community Accountancy Service CIO

Sowood Pre-School and Community Association

Trustees' report for the year ended 31 August 2022

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	Dates
Malcolm James	Chair	
Elizabeth Whyte	Secretary	
Caroline Remmers	Treasurer	

Charity number 1166047 Registered in England and Wales

Registered and principal address	Bankers
Sowood Community Centre	National Westminster Bank Plc
Stainland Road	1 Waterhouse Street
Sowood	Halifax
Halifax	HX1 1JA
HX4 9HY	

Independent examiner

Simon Bostrom FCIE

West Yorkshire Community Accountancy Service CIO

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 2022

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 its 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

After our inadequate Ofsted (The Office for Standards in Education) we were at risk of losing all of our funding, however our parents/carers stood by us, contacting the council and after we made some changes it was agreed we would receive funding for existing children already in receipt of EEF. We continued to care for the children at preschool while undertaking additional training as required. Where we felt that a child would benefit from early education, we self funded a place. In June 2022 we were re-inspected and are now a good rated setting, and we can now take new children.

We have and had a high percentage of children with SEN (Special educational needs) in our care, our setting allows children to access a good, inclusive early education. We have positive links with outside agencies, including ASD teams, portage and speech and language team.

Financial review

The net payments for the year were £18,665, including net payments of £7,421 on unrestricted funds and net payments of £11,244 on restricted funds after transfers.

Given the financial position the Trustees are in discussion with officers of Calderdale Council, seeking support to help us through the present difficulties.

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 2022

Reserves policy

The charity's free reserves, excluding fixed assets, at the year end were £36,919.

The policy stated that a contingency fund or reserve should be held to cover any eventualities that could arise within the setting. The appropriate level was set at 3 -6 months running costs.

This is made up of four elements:

Annual wages costs

Annual rent costs

General contingency to cover any emergency situations that arise.

Build up reserves to cover a new project

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.

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.

A build up reserves process will occur as our expected income v expenditure delivers a surplus to which we can add these funds to. The committee will then decide long term under business planning the best use of these reserves to benefit the setting.

Approved by the board of trustees on 27 February 2023

Malcolm James (Trustee)

Sowood Pre-School and Community Association

Independent examiner's report to the trustees of Sowood Pre-School and Community Association

I report to the charity trustees on my examination of the accounts of the CIO for the year ended 31 August 2022, 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.

Simon Bostrom FCIE

3 March 2023

West Yorkshire Community Accountancy Service CIO

Stringer House
34 Lupton Street
Leeds
LS10 2QW

Sowood Pre-School and Community Association

Receipts and payments account for the year ended 31 August 2022

	Notes	2022	2022	2022	2021
		Unrestricted	Restricted	Total	Total
		funds	funds	funds	funds
		£	£	£	£
Receipts					
Grants and donations	(2)	51	49,213	49,264	77,037
Pre-school fees		12,237	-	12,237	11,835
Fundraising		1,478	-	1,478	444
Milk funding		149	-	149	162
Uniform income		-	-	-	204
Hall hire		14,068	-	14,068	1,385
Total receipts		<u>27,983</u>	<u>49,213</u>	<u>77,196</u>	<u>91,067</u>
Payments					
Salaries		15,751	57,476	73,227	65,025
Payroll fees		488	-	488	680
Resources and supplies		-	1,959	1,959	3,816
Printing, stationery and advertising		1,126	-	1,126	1,358
Professional fees and subscriptions		995	-	995	427
Utilities		10,151	-	10,151	13,118
Repairs and maintenance		189	-	189	2,053
Telephone		372	-	372	580
Caretaking		1,272	-	1,272	1,570
Insurance		863	-	863	848
Food and beverages		2,042	-	2,042	2,034
Community centre consumables		867	-	867	148
Milk		172	-	172	189
Staff training		-	1,022	1,022	365
Fundraising costs		47	-	47	89
Other expenditure		340	-	340	65
Uniform		-	-	-	192
Independent examination		480	-	480	456
Computer costs		249	-	249	-
Total payments		<u>35,404</u>	<u>60,457</u>	<u>95,861</u>	<u>93,013</u>
Net movement in funds		<u>(7,421)</u>	<u>(11,244)</u>	<u>(18,665)</u>	<u>(1,946)</u>
Fund balances brought forward		<u>44,340</u>	<u>13,969</u>	<u>58,309</u>	<u>60,255</u>
Fund balances carried forward	(3)	<u>36,919</u>	<u>2,725</u>	<u>39,644</u>	<u>58,309</u>

Sowood Pre-School and Community Association

Statement of assets and liabilities

as at 31 August 2022

	2022	2022	2022	2021
	Unrestricted	Restricted	Total	Total
	£	£	£	£
Cash funds				
Cash at bank	36,794	2,725	39,519	58,270
Cash in hand	125	-	125	39
Total cash funds	36,919	2,725	39,644	58,309
Amounts owed to the charity			£	
Accrued income			476	
Prepayments			694	
			1,170	
Assets retained for the charity's own use				
Printers				
Laptops				
Various play equipment and furniture				
Liabilities			£	
Accruals			600	
Creditors			1,225	
			1,825	

The financial statements were approved by the board of trustees on 27 February 2023

Malcolm James (Trustee)

Sowood Pre-School and Community Association

Notes to the accounts

for the year ended 31 August 2022

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.

Sowood Pre-School and Community Association

Notes to the accounts continued

for the year ended 31 August 2022

2 Grants and donations	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £	2021 Total funds £
Calderdale Council	-	47,713	47,713	73,456
Department for Education (DfE)	-	1,500	1,500	-
Community Foundation for Calderdale	-	-	-	600
HM Revenue and Customs	-	-	-	2,403
Other donations	51	-	51	578
	<u>51</u>	<u>49,213</u>	<u>49,264</u>	<u>77,037</u>

3 Restricted funds	Balance b/f £	Receipts £	Payments £	Transfers £	Balance c/f £
Lloyds Bank plc	607	-	-	-	607
Early Education Funding	13,362	36,408	49,770	-	-
Inclusion funding	-	8,766	8,766	-	-
EYPP & Deprivation	-	2,539	1,874	-	665
DfE Apprentice fund	-	1,500	47	-	1,453
	<u>13,969</u>	<u>49,213</u>	<u>60,457</u>	<u>-</u>	<u>2,725</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).
EYPP & Deprivation	To provide hot meals, extra sessions and resources to help learning and development of children from low income families.
Apprentice fund	Towards apprenticeship training and assessment.

4 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.