

Sowing Seeds Pre School

Annual Report and Unaudited Financial Statements

For the year ended 16 July 2021

SOWING SEEDS PRE SCHOOL

CONTENTS

	Page
Trustees' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 10

SOWING SEEDS PRE SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	A Hockney
	A Beeton
	L Harvey
Charity number	1173396
Independent examiner	Gilberts Chartered Accountants
	Pendragon House
	65 London Road
	St Albans
	Hertfordshire
	AL1 1LJ

SOWING SEEDS PRE SCHOOL

TRUSTEES' REPORT

FOR THE YEAR ENDED 16 JULY 2021

The trustees present their annual report and financial statements for the year ended 16 July 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements 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)" (effective 1 January 2019).

Objectives and activities

The charity's objects are for the public benefit, the advancement of the Christian Faith as part of the mission of Life Church Cuffley and by the advancement of education in Cuffley and the surrounding area.

The activities undertaken in furtherance of these objects is the provision of preschool education for children aged 2-4. We follow the EYFS in line with Ofsted requirements and follow the Statutory Framework for Early Years.

We provide a safe, warm, enabling environment which offers activities based on children's interests to promote their learning and independence, ensuring that the children reach their full potential before they leave us to go to Nursery or Reception.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

During this current financial year, Sowing Seeds Preschool continued to provide an excellent educational setting for our community's families. We focused on supporting our children and their families with the impact that the pandemic has had on them. We have remained full to capacity and throughout the year continued to build a waiting list for the following September. Whilst dealing with restrictions on having people enter our premises, we were fortunate enough to be able to still provide exciting activities to promote the children's learning and development, for example, "Ark Farm" came for a visit outside bringing a selection of different animals for the children to meet and learn about.

Financial review

Full details of the Trust's financial position are shown in the accounts attached to this report.

The trustees consider that the financial position and reserves of the charity are satisfactory.

It is the policy of the charity that reserves should be maintained at a level to ensure the charity has an adequate contingency fund to meet staff salaries and essential running costs..

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Structure, governance and management

The charity is a charitable incorporated organisation.

The trustees who served during the year and up to the date of signature of the financial statements were:

A Hockney

A Beeton

L Harvey

SOWING SEEDS PRE SCHOOL

TRUSTEES' REPORT (Continued)

FOR THE YEAR ENDED 16 JULY 2021

The trustees' report was approved by the Board of Trustees.

A Hockney
Trustee

10 May 2022



SOWING SEEDS PRE SCHOOL

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SOWING SEEDS PRE SCHOOL

I report to the trustees on my examination of the financial statements of Sowing Seeds Pre School (the charity) for the year ended 16 July 2021.

Responsibilities and basis of report

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

I report in respect of my examination of the charity's financial statements 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 2011 Act.

Independent examiner's statement

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

I understand that this has been done in order for financial statements to provide a true and fair view in accordance with Generally Accepted Accounting Practice effective for reporting periods beginning on or after 1 January 2015.

I have completed my examination. I confirm that no 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 charity as required by section 130 of the 2011 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

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

Gilberts Chartered Accountants

Pendragon House
65 London Road
St Albans
Hertfordshire
AL1 1LJ

Dated: 10 May 2022

SOWING SEEDS PRE SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 16 JULY 2021

	Notes	Unrestricted funds 2021 £	Unrestricted funds 2020 £
<u>Income from:</u>			
Charitable activities	2	82,330	55,005
		<hr/>	<hr/>
<u>Expenditure on:</u>			
Charitable activities	3	86,304	50,636
		<hr/>	<hr/>
Net (expenditure)/income for the year/ Net movement in funds		(3,974)	4,369
Fund balances at 17 July 2020		11,103	6,734
		<hr/>	<hr/>
Fund balances at 16 July 2021		7,129	11,103
		<hr/> <hr/>	<hr/> <hr/>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

SOWING SEEDS PRE SCHOOL

BALANCE SHEET

AS AT 16 JULY 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	6		104		156
Current assets					
Debtors	7	3,634		7,459	
Cash at bank and in hand		3,905		6,039	
		<u>7,539</u>		<u>13,498</u>	
Creditors: amounts falling due within one year	8	<u>(514)</u>		<u>(2,551)</u>	
Net current assets			7,025		10,947
Total assets less current liabilities			<u>7,129</u>		<u>11,103</u>
Income funds					
Unrestricted funds			7,129		11,103
			<u>7,129</u>		<u>11,103</u>

The financial statements were approved by the Trustees on 10 May 2022

A Hockney
Trustee

A Beeton
Trustee

SOWING SEEDS PRE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 16 JULY 2021

1 Accounting policies

Charity information

Sowing Seeds Pre School is a Charitable Incorporated Organisation registered in England with the Charity Commission. The address of the principal location is Life Church Cuffley, Cuffley, Potters Bar, Hertfordshire EN6 4LN.

1.1 Accounting convention

The financial statements have been prepared in accordance 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)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

1.3 Income

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured

1.4 Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Equipment	20% Straight Line
-----------	-------------------

1.6 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

SOWING SEEDS PRE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 16 JULY 2021

1 Accounting policies

(Continued)

1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

SOWING SEEDS PRE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 16 JULY 2021

2 Charitable activities

	Income 2021 £	Income 2020 £
Parent Fees	30,881	18,421
Funding	48,653	35,074
Lunch Club	2,796	550
Other income	-	960
	82,330	55,005

3 Charitable activities

	Expenditure 2021 £	Expenditure 2020 £
Staff costs	60,281	40,786
Depreciation and impairment	52	52
Pre School Supplies	13,811	5,423
Uniform Costs	530	(341)
Rent	7,706	3,612
Insurance	423	423
Advertising and Marketing	-	52
Staff Training	248	215
Subscriptions	1,244	409
General Expenses	1,769	(235)
Accountancy	240	240
	86,304	50,636
	86,304	50,636

4 Trustees

Alison Hockney, a trustee of the charity, received remuneration of £13,980 as manager of the pre school.

SOWING SEEDS PRE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 16 JULY 2021

5 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Nursery Staff	6	5

Employment costs

	2021 £	2020 £
Wages and salaries	59,593	40,375
Other pension costs	688	411
	60,281	40,786

There were no employees whose annual remuneration was more than £60,000.

6 Tangible fixed assets

	Equipment £
Cost	
At 17 July 2020	260
At 16 July 2021	260
Depreciation and impairment	
At 17 July 2020	156
At 16 July 2021	156
Carrying amount	
At 16 July 2021	104
At 16 July 2020	156

7 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	3,634	7,459

SOWING SEEDS PRE SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (Continued)

FOR THE YEAR ENDED 16 JULY 2021

8 Creditors: amounts falling due within one year

	2021	2020
	£	£
Other taxation and social security	514	557
Other creditors	-	1,994
	<hr/>	<hr/>
	514	2,551
	<hr/>	<hr/>

9 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).