

**REPORT OF THE TRUSTEES AND
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021
FOR
BROOK EARLY YEARS**

BROOK EARLY YEARS

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BROOK EARLY YEARS
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

The trustees present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of 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

Objectives and aims

The purpose of Brook Early Years is to enhance the development and education of children primarily under statutory school age and encourage parents to understand and provide for the needs of their children through community groups

Significant activities

To offer appropriate play, education and care facilities, family learning and extended hours groups, together with the right of parents to take responsibility for and to become involved in the activities of such groups, ensuring that such groups offer opportunities for all children whatever their race, culture, religion, means or ability.

To encourage the study of the needs of such children and their families and promoting public interest in and recognition of such needs in the local area.

Public benefit

Brook Early Years recognises the importance of having a framework of rules, relationships, systems, and processes within and by which authority is exercised and controlled in the organisation. Our Trustees view good governance and management as essential to our provision of quality education and care.

The Trustees of the Board will ensure there is a sound framework of policies and procedures that complies with all legislative and regulatory requirements, and that enables the daily operation of the service to be geared towards the achievement of the service's vision and mission.

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ACHIEVEMENT AND PERFORMANCE

Charitable activities

In March 2020 we had our first lockdown due to Corona Virus helping to slow down the spread. Throughout the lockdowns Brook Early Years stayed open, offering extra sessions to keyworker and vulnerable children. It was very difficult to provide clear updates regarding the pandemic and at times we provided information to staff and parents one day and by the next it had changed.

Throughout the Pandemic Brook Early Years did not have to close, this was mainly because of our rigorous risk assessments, cleaning procedures and following Public Health guidelines that staff, parents and children accepted and abided by. We adopted within our Health and safety policy a Pandemic policy that included our procedures.

As with all businesses, we adapted our way of working and used video calls to communicate. As a trustee and a chair of an Action learning group (made up of 20% of Southampton early years Leads/ managers/ heads and owners) they initiated a WhatsApp group so we could keep in touch and support each other's well-being. We also had regular Zoom meetings to discuss individual issues and help understand the government and local guidance. Over the year this group became invaluable to us all as we supported each other's mental health and wellbeing too.

We worked with our outsourced HR to support staff throughout the pandemic with their mental health and wellbeing. This was a godsend as staff to support them in this worrying time around work and home life. Staff also were able to gain personal development training, this involved computer based or Zoom learning. We concentrated on safeguarding, wellbeing and mental health for both children and the staff. We kept communication open with parents and phoned weekly/fortnightly to touch base and give support, sending resources home and sharing videos of staff singing and reading stories. The speech and language deputy arranged for all staff to sing a song using Makaton, this was put on Facebook and shared amongst parents and the local community providing some enjoyment in a difficult time.

To encourage and welcome new families into our setting we recorded a video which was put on our web page showing the setting and the changes which had been implemented in accordance with government guidelines. This gave new parents and children an idea of what to expect when coming to Brook Early Years as we were unable to physically show parents around.

Our September intake looked a little different too we did videocalls to parents rather than home visits. Parents have been so supportive in our endeavours to keep everyone safe having staggered open and closing times, wearing masks at all times in the setting, staying outside and working with us outside to settle any children, keeping us updated when children are unwell and keeping them at home if they have a temperature.

Our AGM was different this year too. We had a zoom Annual General Meeting; this was a great success and we seemed to have very loyal parents.

During this last year we had 96 children, aged two to rising fives, with up to 50 attending each session. These children come from varied backgrounds; English as a second language, dietary requirements, medical requirements, disabilities and looked after children. We have developed Individual Educational Plans and maintained one to one support mostly funded by the government. We also supported the welfare of children and parents with child protection plan. This year we have worked with a child that has one to one funding to support a global learning difficulty. We have worked hard to gain a EHCP to support him throughout his schooling.

We have continued to use our Early Years Pupil Premium funding to support with Narrative, BLAST and SEAD initiatives, supporting early language, Social and Emotional Development. Our Early Language coordinator has achieved her level 3 SEND. She is supernumerary within our setting to enable her to support all children with communication and language.

Brook has been involved with the Implementation of ECaT (Every Child a Talker) since 2009. Our Early Language coordinator has continued to work closely with our area Support speech therapist (mainly through phone calls this year) with Speech and Language therapy programmes for key children along with

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supporting children's language acquisition through speaking, listening and social skills, through a Narrative programme. She has continued embedding an initiative called BLAST, boosting Language Auditory Skills and Talking. BLAST supports all 4-year-olds starting school and works on the underpinning skills for language, communication and literacy - turn taking, discrimination, listening, attention and social communication as well as developing basic language skills both receptively and expressively. She has also embedded a new initiative called Preling. Preling supports all 2-year-olds with developing their language and communication. This programme introduces basic activities to develop pre-linguistic skills, focusing on the child's eye contact, turn taking, attention and listening.

Our Social Emotional Aspects coordinator (also Enhancement coordinator) is finishing a Child Psychology course to develop her knowledge. She has developed our PSE support for children with a Programme called sunshine circles. The Programme is designed to build relationships, allowing children to grow socially, emotionally, and often intellectually. Every activity helps to develop the child's self-esteem, sense of belonging, ability to trust and to care for themselves and others. All staff embed this into their daily routine. Alongside this we also have Yoga sessions to help with emotional wellbeing.

Our Healthy Early Years Award coordinator (HEYA) is finishing a Level 2 Understanding Nutrition and Health course. We have achieved a silver award in healthy eating and Physical activity. This program is supporting healthy choices around nutrition and physical activities. We are working on our bronze oral health award now.

Looking forward as we gradually come out of the pandemic we want to focus on children's wellbeing, examining and embedding the new EYFS and developing plans to reflect this. We still need to be cautious, but with positivity we can embed a new normal at Brook Early Years.

Fundraising activities

The setting doesn't have a fundraising requirement.

Investment performance

The setting has opened up a separate bank account with CAF (Charities Aid Foundation) in order to spread its reserves outside Barclays Bank.

Due to covid, there were no financial objectives set for the year. Against all expectations the setting did make a surplus.

FINANCIAL REVIEW

Financial position

At the end of March 2021 the setting had made surplus of £27,226 compared to a surplus of £14,382 in 2020.

Principal funding sources

Southampton City Council offer funding for eligible two year olds (570 hours per year)
Three and four year olds (570 hours per year) and some three and four year olds are eligible to Children entitled to 1140 hours per year (30-hour funding).

More information can be found in the Southampton city website.

For any attendance that is outside the funding income, the fees are paid direct to the setting by the parents.

Investment policy and objectives

The Settings policy is risk averse and we don't invest the reserves in anything other than a normal bank account.

Reserves policy

The setting hold £95,000 as a reserve minimum to cover should all staff be made redundant. At the end of the financial year the setting has in excess of double this amount.

As at the end of March 2021 the cash reserves held are £231,330.

BROOK EARLY YEARS

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust and constitutes an unincorporated charity.

The management of Brook Early Years is overseen by the Trustees of the Board and they are accountable for the performance of the preschool.

The Trustees of the Board have overall responsibility for the sustainability and relevance of the service. The Trustees of the Board will direct its activities towards achieving the preschool's goals and implementing the Business/Strategic Plan and Quality Improvement plan by guiding and monitoring the preschool's business and affairs in line with the objects as set out in the preschool's rules and in line with its philosophy.

Type of governing document: Brook Early Years independent model constitution adopted on January 2020.

Charity constitution

Charity Incorporated Company (CIO)

Recruitment and appointment of new trustees

Apart from the first charity trustees, every trustee must be appointed for a term of three years by a resolution passed at a properly convened meeting of the charity trustees.

Through our induction processes we seek to ensure the effective integration of new Trustees into the Organisation for the benefit of both new Trustees and the Early Years setting. The induction programme will consist of physical and organisational orientation, health and safety information, an explanation of the terms and conditions of your engagement and a clear outline of the role and its requirements.

Before we can welcome you to the Board, we are required to carry out suitability checks with The Disclosure and Barring Service (DBS) and OFSTED (EY2 form) to make sure you are fit for the position.

In addition, you will be asked to:

- read and sign to say you understand our governance policy and constitution
- read and sign to say you understand our Safeguarding policies including "Keeping Children Safe in Education, September 2018"
- read and sign to say you understand all other policies
- sign a confidentiality agreement (which applies during your time on the board and after)
- complete a course on Educare "The Role of Trustee's Delivering EYFS"

Organisational structure

The Trustees of the Board have overall responsibility for the sustainability and relevance of the service. The Trustees of the Board will direct its activities towards achieving the preschool's goals and implementing the Business/Strategic Plan and Quality Improvement plan by guiding and monitoring the preschool's business and affairs in line with the objects as set out in the preschool's rules and in line with its philosophy.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1187234

Principal address

Beechwood Junior School
Juniper Road
Southampton
Hampshire
SO18 4EG

Trustees

Samantha Meech
Patricia McGregor
Lucy Field
Kayleigh Sandall

Chairperson
Head Teacher

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REFERENCE AND ADMINISTRATIVE DETAILS

Independent Examiner

P Underwood, FCCA
Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU

Approved by order of the board of trustees on23-09-21..... and signed on its behalf by:



S Meech - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF BROOK EARLY YEARS

Independent examiner's report to the trustees of Brook Early Years

I report to the charity trustees on my examination of the accounts of Brook Early Years (the Trust) for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity trustees of the Trust 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 Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

Since your charity's gross income exceeded £250,000 your examiner must be a member of a listed body. I can confirm that I am qualified to undertake the examination because I am a registered member of _ which is one of the listed bodies.

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 Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts 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 accounts to be reached.

P Underwood, FCCA
Morris Crocker
Chartered Accountants
Station House
North Street
Havant
Hampshire
PO9 1QU

Date:

BROOK EARLY YEARS

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities	3				
Development and education		273,017	275	273,292	304,897
Investment income	2	36	-	36	168
Total		273,053	275	273,328	305,065
EXPENDITURE ON					
Charitable activities	4				
Development and education		246,093	9	246,102	290,683
NET INCOME		26,960	266	27,226	14,382
Transfers between funds	13	266	(266)	-	-
Net movement in funds		27,226	-	27,226	14,382
RECONCILIATION OF FUNDS					
Total funds brought forward		200,187	-	200,187	185,805
TOTAL FUNDS CARRIED FORWARD		227,413	-	227,413	200,187

The notes form part of these financial statements

BROOK EARLY YEARS

BALANCE SHEET 31 MARCH 2021

	Notes	2021 £	2020 £
FIXED ASSETS			
Tangible assets	9	2,967	6,561
CURRENT ASSETS			
Debtors	10	202	1,828
Cash at bank and in hand		231,330	195,632
		<u>231,532</u>	<u>197,460</u>
CREDITORS			
Amounts falling due within one year	11	(7,086)	(3,834)
NET CURRENT ASSETS		<u>224,446</u>	<u>193,626</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		227,413	200,187
NET ASSETS		<u>227,413</u>	<u>200,187</u>
FUNDS	13		
Unrestricted funds		227,413	200,187
TOTAL FUNDS		<u>227,413</u>	<u>200,187</u>

The financial statements were approved by the Board of Trustees and authorised for issue on and were signed on its behalf by:


S Meech - Trustee

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The Trustees consider that there are no material uncertainties about the Charity's ability to continue as a going concern.

The charity converted from an unincorporated charity (charity number: 1031876) to a Charitable Incorporated Organisation (charity number: 1187234) from 1 April 2020. Although Brook Early Years has changed its legal form, its purposes and beneficiaries remains unchanged. All operations, assets and liabilities were transferred over to the CIO from that date. Merger accounting has been applied in accordance with the FRS 102 SORP.

Income

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

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 33.33% on cost
Computer equipment	- 33.33% on cost

Individual fixed assets costing £200 or more are capitalised at cost.

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

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

Financial instruments

The charity only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and investments in stocks and shares. The measurement basis used for these instruments is detailed below.

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NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

1. ACCOUNTING POLICIES - continued

Financial instruments

Debtors and cash at bank

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Cash at bank and in hand included cash held on deposit or in a current account.

Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. INVESTMENT INCOME

	2021	2020
	£	£
Deposit account interest	36	168

All investment income is derived from assets held in the United Kingdom.

3. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2021	2020
		£	£
Fees	Development and education	20,159	44,955
Funding	Development and education	252,858	258,937
Milk grants	Development and education	275	1,005
		<u>273,292</u>	<u>304,897</u>

Grants received, included in the above, are as follows:

	2021	2020
	£	£
Milk grant	275	1,005

4. CHARITABLE ACTIVITIES COSTS

	Direct Costs	Support costs (see note 5)	Totals
	£	£	£
Development and education	<u>237,429</u>	<u>8,673</u>	<u>246,102</u>

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NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

5. SUPPORT COSTS

	Management £	Finance £	Governance costs £	Totals £
Development and education	<u>3,592</u>	<u>43</u>	<u>5,038</u>	<u>8,673</u>

Support costs, included in the above, are as follows:

Management

	2021 Development and education £	2020 Total activities £
Depreciation of tangible and heritage assets	<u>3,592</u>	<u>5,281</u>

Finance

	2021 Development and education £	2020 Total activities £
Bank charges	<u>43</u>	<u>86</u>

Governance costs

	2021 Development and education £	2020 Total activities £
Professional fees	<u>5,038</u>	<u>5,624</u>

6. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

During the year no trustees (2020: one) were reimbursed out of pocket expenses (2020: £209.70) for expenses and travel.

7. STAFF COSTS

The average monthly number of employees during the year was as follows:

2021	2020
14	16
<u>14</u>	<u>16</u>

No employees received emoluments in excess of £60,000.

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

8. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Development and education	303,892	1,005	304,897
Investment income	168	-	168
Total	304,060	1,005	305,065
 EXPENDITURE ON			
Charitable activities			
Development and education	289,714	969	290,683
 NET INCOME	14,346	36	14,382
Transfers between funds	36	(36)	-
Net movement in funds	14,382	-	14,382
 RECONCILIATION OF FUNDS			
Total funds brought forward	185,805	-	185,805
 TOTAL FUNDS CARRIED FORWARD	200,187	-	200,187

9. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 April 2020 and 31 March 2021	34,768	22,773	57,541
 DEPRECIATION			
At 1 April 2020	34,394	16,586	50,980
Charge for year	148	3,446	3,594
At 31 March 2021	34,542	20,032	54,574
 NET BOOK VALUE			
At 31 March 2021	226	2,741	2,967
At 31 March 2020	374	6,187	6,561

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**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2021**

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Prepayments and accrued income	202	1,828
	<u>202</u>	<u>1,828</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Taxation and social security	5,593	2,388
Other creditors	1,493	1,446
	<u>7,086</u>	<u>3,834</u>

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted fund £	Restricted fund £	2021 Total funds £	2020 Total funds £
Fixed assets	2,967	-	2,967	6,561
Current assets	231,532	-	231,532	197,460
Current liabilities	(7,086)	-	(7,086)	(3,834)
	<u>227,413</u>	<u>-</u>	<u>227,413</u>	<u>200,187</u>

13. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	Transfers between funds £	At 31.3.21 £
Unrestricted funds				
General fund	200,187	26,960	266	227,413
Restricted funds				
Milk grant	-	266	(266)	-
TOTAL FUNDS	<u>200,187</u>	<u>27,226</u>	<u>-</u>	<u>227,413</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	273,053	(246,093)	26,960
Restricted funds			
Milk grant	275	(9)	266
TOTAL FUNDS	<u>273,328</u>	<u>(246,102)</u>	<u>27,226</u>

BROOK EARLY YEARS

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

13. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	Transfers between funds £	At 31.3.20 £
Unrestricted funds				
General fund	185,805	14,346	36	200,187
Restricted funds				
Milk grant	-	36	(36)	-
TOTAL FUNDS	<u>185,805</u>	<u>14,382</u>	<u>-</u>	<u>200,187</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	304,060	(289,714)	14,346
Restricted funds			
Milk grant	1,005	(969)	36
TOTAL FUNDS	<u>305,065</u>	<u>(290,683)</u>	<u>14,382</u>

Transfers between funds

Transfers from unrestricted to restricted funds are to cover any shortfalls in restricted funds. Transfers from restricted funds to unrestricted funds arise where restrictions have been satisfied.

14. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.