

Charity Registration No. XT6668/NI102340

Company Registration No. NI068112 (Northern Ireland)

SMALL WONDERS CHILDCARE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

SMALL WONDERS CHILDCARE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Ms N McCullough Ms J Mercer Ms M Smith Ms L Kinnon Ms Cora Harrison
Charity number	XT6668/NI102340
Company number	NI068112
Registered office	c/o Shankill Womens Centre 151-157 Shankill Road Belfast Co. Antrim Northern Ireland BT13 1FD
Auditor	FPM Accountants Limited 1 - 3 Arthur Street Belfast Co. Antrim Northern Ireland BT1 4GA

SMALL WONDERS CHILDCARE

CONTENTS

	Page
Trustees report	1 - 5
Statement of Trustees responsibilities	6
Independent auditor's report	7 - 12
Statement of financial activities	13
Balance sheet	14 - 15
Statement of cash flows	16
Notes to the financial statements	17 - 26

SMALL WONDERS CHILDCARE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees present their report and financial statements for the year ended 31 March 2023.

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 Companies Act 2006 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 2019).

Governing Document

The organisation was registered as a charity and the company was established under a Memorandum of Association and is governed under its Articles of Association in 2008.

Objectives and activities

Mission Statement

Small Wonders childcare supports the rights of the child and are committed to practice, which protects children from harm as outlined in articles 19 and 34 of the United Nations Convention on the Rights of the child 1989 and in compliance with the Children (NI) Order 1995. Small Wonders accept that the welfare of the child must be the paramount consideration before all else. It is our intention to create a child safe environment where children are valued in every respect.

Aims

- (1) To provide quality care and comfort in a safe friendly environment.
- (2) To offer an early learning programme through the intervention of planned play activities that allow children to grow and enable them to reach their full potential.
- (3) To protect and encourage children and focus on positive behaviour.
- (4) To help develop children's confidence and a programme where children can value themselves and others through play.
- (5) To provide opportunities for creative and imaginative play where children explore their own identity and help build their self-esteem.

Objectives

- (1) To ensure all persons providing direct care for children are Vetted by a Police Check through Access NI.
- (2) To ensure staff caring for children are experienced, qualified, caring and professional.
- (3) To provide effective management for staff, trainees and volunteers through supervision, support and training.
- (4) To promote equal opportunities through our policies and to reflect this philosophy through practice and delivery of care in our early years setting.
- (5) To develop a Partnership with Parents by involving parents in children's care and sharing information and concerns.
- (6) To develop children's awareness of respect for diversity through play and books.
- (7) To develop a healthy eating programme and support children's health and well being.
- (8) To promote a strict NO SMOKING (including Vaping) POLICY and endeavour to create a healthy smoke free environment for children.

SMALL WONDERS CHILDCARE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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

Achievements and performance

Achievements To Date

1. All Staff now minimum NVQ Level 3 qualified
2. 3 Staff now qualified to Level 5
3. Our Cook is NQ Level 2 qualified
4. 2 relief Staff within our Bank of Staff
5. Small Wonders celebrated its 12 year anniversary in Sept 2020
6. All staff have achieved NVQ Level 2 Award in Food safety & Catering
7. Our 5* Status from Environmental Health has been maintained
8. A wrap-around service has been established to provide services for children aged 0-11 years
9. All Small Wonders Services/Facilities are running to full capacity with waiting lists.
10. We continue to provide a welcoming environment for all with a Cross-Community/Multi cultural ethos running throughout all of our services and facilities
11. Minimum Childcare Standards (2013) are implemented and adhered to on a daily basis.
12. Works towards self-sustainability
13. Set a bench mark for other Social Economy Projects and act as a Model of Good Practice

Financial review

The income for the year was £597,137 (2022: £525,612) and expenditure was £644,975 (2022: £601,035). The deficit for the year was £47,838 (2022 deficit: £75,423).

Reserves Policy

It is the policy of the Charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The Trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

Risk Management

The Management Committee has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is updated at least annually. Where appropriate, systems or procedures have been established to mitigate the risks the charity faces. These procedures are periodically reviewed to ensure that they continue to meet the needs of the business. The policies in place are -

Admissions Policy, Child Management Behaviour Policy, Designated Child Protection Officer, Equal Opportunities Policy, Health & Safety Policy, Medicine Policy, No Smoking Policy, Settling In Policy, Policy for Outings, Sick Child Policy, Whistle Blowing Policy, Toileting and Personal Care Policy, Child Protection Policy, Comments and Complaints Policy, Good Practice Policy, Policy for a Missing Child, Partnership with Parents/ Carers Policy, Observation and Record Keeping and Assessment Policy, Healthy Eating Policy, Risk Assessment Policy, Emergency Policy, Maintenance of Play Equipment Policy, Policy on Medicines, Food and Drink Policy, Transport Policy, Security Policy, Uniform Policy, Supporting Children with Special Needs Policy, Social Networking Policy, Mobile Phone Policy, Absence of Manager Policy, First Aid Policy, Pet Policy, Photography & Videography Policy, Play Policy.

SMALL WONDERS CHILDCARE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Plans for Future Periods

Small Wonders will continue to grow as a social economy business with a strong staff team and Management committee. The business has two buildings; one solely dedicated to childcare and the other currently housing Afterschools. This first floor space will continue to be shared with SWC classes and activities in order to utilise maximum capacity of space.

We will continue to promote and advertise our services in order to meet the needs of both the business and the parents who use this facility for the quality care of their children. We will promote the unique cross-community aspect of our facility as a shared space and welcoming space for all.

The childcare provided and facilities are set at a very high standard and are regularly inspected and regulated by Social Services and by Environmental Health. All policies and procedures are reviewed annually and all new policies are approved by the Management Committee and implemented by Small Wonders Manager.

Structure, governance and management

The Charity is a company limited by guarantee.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Ms N McCullough

Ms J Mercer

Ms M Smith

Ms L Kinnon

Ms Cora Harrison

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

Recruitment and Appointment of Management Committee

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

SMALL WONDERS CHILDCARE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Trustee Induction and Training

New trustees will usually be familiar with the work of the Daycare having been associated with it in some form. Induction takes place by one to one meetings with the Chairperson and the Centre Manager to ascertain more information about the management of the Centre and their role within it. They are also furnished with and given an explanation on various documentation: Memorandum and Articles, Organisational plans and Annual Reports, latest minutes and any up to date development plans. Ongoing training is offered to management committee on an ongoing and ad hoc basis. This is usually provided under our membership of NICVA.

Organisational Structure

SWC has a Management Committee of up to 5 members who meet quarterly and are responsible for the strategic direction and policy of the charity. At present the Committee has 5 members from a variety of professional backgrounds relevant to the work of the charity.

Chairperson: Nikki McCullough
Secretary: Lesley-Anne Kinnon
Director: Margaret Smith
Director: Joan Mercer
Director: Cora Harrison

A scheme of delegation is in place and day to day responsibility for the provision of the services rest with Small Wonders Manager, four Room Leaders and full staff team. Small Wonders Manager is Line Managed by Shankill Women's Centre Senior Management. Small Wonders Manager responsible for ensuring that the charity delivers the services specified and that key performance indicators are met.

SMALL WONDERS CHILDCARE

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Related Parties

Early Years - The Organisation for Young Children

Early Years is the largest organisation in Northern Ireland for young children. We are a non-profit making organisation and have been working since 1965 to promote high quality childcare for children aged 0 - 12 and their families.

Currently Early Years provides information and training for parents, childcare providers, employers and local authorities. We hope this website will help you to find out more about early childcare and education.

Social Services

The Belfast Trust is committed to providing services to support children, young people and their families. We aim to work with and support families so that children can live in a safe, nurturing environment. The Trust offers a range of services to families where children may not thrive and reach their full potential without some help - this includes children in need of protection. We are also responsible for children who, for a variety of reasons, cannot remain within their own families and who are 'looked after' by the Trust.

The Registration process requires the Trust to complete vetting checks on people who are applying to look after children or people who will be living on, or regular visitors to, the premises where children are to be looked after. Access N.I. is the legally mandated organisation, which the Trust uses to process the vetting checks on prospective childminders, prospective and registered owners of private day care and the committee chairpersons of group day care, which are not privately owned.

Employers For Childcare

Are a campaigning charity which developed from a community project set up in 1998, encouraging employers to implement family friendly policies in the workplace. The founding Chief Executive Officer quickly identified the barrier that the lack of affordable, quality childcare presents to working parents. Our ethos is to address childcare, not as a social issue, but as a labour market and economic issue.

Auditor

In accordance with the company's articles, a resolution proposing that FPM Accountants Limited be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by the Board of Trustees.



Ms M Smith

Trustee

Dated: 31.1.2024

SMALL WONDERS CHILDCARE

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees, who are also the directors of Small Wonders Childcare for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law 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, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

SMALL WONDERS CHILDCARE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SMALL WONDERS CHILDCARE

Opinion

We have audited the financial statements of Small Wonders Childcare (the 'Charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, 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 Companies Act 2006.

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's 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 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.

SMALL WONDERS CHILDCARE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SMALL WONDERS CHILDCARE

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 financial statements are 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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

SMALL WONDERS CHILDCARE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SMALL WONDERS CHILDCARE

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; 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, the Trustees, who are also the directors of the Charity for the purpose of company law, 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 charitable company or to cease operations, or have no realistic alternative but to do so.

SMALL WONDERS CHILDCARE

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SMALL WONDERS CHILDCARE

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditors under section 65 of the Charities Act (Northern Ireland) 2008 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

We design procedures in line with our responsibilities, outlined above, 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.

We obtained an understanding of the legal and regulatory framework applicable to the company through enquiry of management, sector research and the application of cumulative audit knowledge. We identified the following principal laws and regulations relevant to the company – Companies Act 2006, Charities Act (Northern Ireland) 2008 and the 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).

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, 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.

SMALL WONDERS CHILDCARE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF SMALL WONDERS CHILDCARE

We developed an understanding of the key fraud risks to the entity (including how fraud might occur), the controls in place to help mitigate those risks, and the accounts, balances and disclosures within the financial statements which may be susceptible to management bias. Our understanding was obtained through review of the financial statements for significant accounting estimates, analysis of journal entries, walkthrough of the key controls cycles in place and enquiry of management.

Our procedures to respond to those risks identified included, but were not limited to:

- Enquiry of management, and the entity's solicitors around actual and potential litigation and claims.
- Enquiry of management to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

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

SMALL WONDERS CHILDCARE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF SMALL WONDERS CHILDCARE

**Lowry Grant (Senior Statutory Auditor)
for and on behalf of FPM Accountants Limited**

Chartered Accountants

Statutory Auditors

1 - 3 Arthur Street
Belfast
Co. Antrim
Northern Ireland
BT1 4GA

.....

FPM Accountants Limited is eligible for appointment as auditor of the Charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

SMALL WONDERS CHILDCARE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	41,055	-	41,055	27,630	-	27,630
Charitable activities	4	543,490	6,800	550,290	459,670	1,500	461,170
Other trading activities	5	5,792	-	5,792	36,812	-	36,812
Total income		590,337	6,800	597,137	524,112	1,500	525,612
Expenditure on:							
Charitable activities	6	638,047	6,928	644,975	599,407	1,628	601,035
Net expenditure for the year/ Net movement in funds		(47,710)	(128)	(47,838)	(75,295)	(128)	(75,423)
Fund balances at 1 April 2022		108,281	513	108,794	183,576	641	184,217
Fund balances at 31 March 2023		60,571	385	60,956	108,281	513	108,794

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

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

SMALL WONDERS CHILDCARE

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	10		7,810		9,423
Current assets					
Debtors	11	23,879		28,911	
Cash at bank and in hand		87,983		117,868	
		<u>111,862</u>		<u>146,779</u>	
Creditors: amounts falling due within one year	13	<u>(58,716)</u>		<u>(47,408)</u>	
Net current assets			53,146		99,371
Total assets less current liabilities			<u>60,956</u>		<u>108,794</u>
Income funds					
Restricted funds	14		385		513
Unrestricted funds			60,571		108,281
			<u>60,956</u>		<u>108,794</u>

SMALL WONDERS CHILDCARE

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 65 of the Charities Act (Northern Ireland) 2008. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 31.1.2024



Ms M Smith
Trustee

Company Registration No. NI068112

SMALL WONDERS CHILDCARE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Cash flows from operating activities					
Cash absorbed by operations	17		(30,889)		(67,856)
Net cash used in investing activities			-		-
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(30,889)		(67,856)
Cash and cash equivalents at beginning of year			117,868		185,724
Cash and cash equivalents at end of year			86,979		117,868
Relating to:					
Cash at bank and in hand			87,983		117,868
Bank overdrafts included in creditors payable within one year			(1,004)		-

SMALL WONDERS CHILDCARE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

Charity information

Small Wonders Childcare is a private company limited by guarantee incorporated in Northern Ireland. The registered office is c/o Shankill Womens Centre, 151-157 Shankill Road, Belfast, Co. Antrim, BT13 1FD, Northern Ireland.

1.1 Accounting convention

The financial statements have been prepared in accordance with the Charity's governing document, the Companies Act 2006 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 2019). The Charity is a Public Benefit Entity as defined by FRS 102.

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 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

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

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the Charity.

1.4 Income

Income is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

SMALL WONDERS CHILDCARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Expenditure on charitable activities includes the costs of providing childcare and activities undertaken to further the purposes of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. In accordance with the Charities SORP (FRS 102), the general volunteer time of supporters is not recognised.

1.6 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
Motor vehicles	10% Straight Line

1.7 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).

1.8 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.

1.9 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.

SMALL WONDERS CHILDCARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

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.

1.10 Employee benefits

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

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

SMALL WONDERS CHILDCARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

3 Donations and legacies

	2023	2022
	£	£
Donations and gifts	41,055	27,630
	<u>41,055</u>	<u>27,630</u>
Donations and gifts		
Early Years	-	27,630
Other	41,055	-
	<u>41,055</u>	<u>27,630</u>

SMALL WONDERS CHILDCARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Childcare Fees	543,490	-	543,490	459,670	-	459,670
Performance related grants	-	6,800	6,800	-	1,500	1,500
	<u>543,490</u>	<u>6,800</u>	<u>550,290</u>	<u>459,670</u>	<u>1,500</u>	<u>461,170</u>
Analysis by fund						
Unrestricted funds	543,490	-	543,490	459,670	-	459,670
Restricted funds	-	6,800	6,800	-	1,500	1,500
	<u>543,490</u>	<u>6,800</u>	<u>550,290</u>	<u>459,670</u>	<u>1,500</u>	<u>461,170</u>
Performance related grants						
BCC Summer Scheme Grant	-	5,000	5,000	-	1,500	1,500
Department of Health	-	1,800	1,800	-	-	-
Other	-	-	-	-	-	-
	<u>-</u>	<u>6,800</u>	<u>6,800</u>	<u>-</u>	<u>1,500</u>	<u>1,500</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Room Hire	3,167	16,330
Sundry Income	2,625	20,482
Other trading activities	<u>5,792</u>	<u>36,812</u>

SMALL WONDERS CHILDCARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

6 Charitable activities

	Unrestricted	Restricted	Total	Total
	2023	2023	2023	2022
	£	£	£	£
Staff costs	499,762	-	499,762	471,285
Childcare and Afterschools	49,706	4,300	54,006	36,156
	<u>549,468</u>	<u>4,300</u>	<u>553,768</u>	<u>507,441</u>
Share of support costs (see note 7)	85,579	2,628	88,207	91,794
Share of governance costs (see note 7)	3,000	-	3,000	1,800
	<u>638,047</u>	<u>6,928</u>	<u>644,975</u>	<u>601,035</u>
Analysis by fund				
Unrestricted funds	638,047	-	638,047	599,407
Restricted funds	-	6,928	6,928	1,628
	<u>638,047</u>	<u>6,928</u>	<u>644,975</u>	<u>601,035</u>
For the year ended 31 March 2022				
Unrestricted funds	599,407	-		599,407
Restricted funds	-	1,628		1,628
	<u>599,407</u>	<u>1,628</u>		<u>601,035</u>

SMALL WONDERS CHILDCARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Support costs

	Support costs	Governance costs	2023	2022
	£	£	£	£
Depreciation	1,613	-	1,613	1,613
Bank Fees	968	-	968	1,476
Office Related Expenses	25,442	-	25,442	22,214
Rent & Rates	33,202	-	33,202	32,902
Repairs & Maintenance	21,900	-	21,900	26,252
General Expenses	5,082	-	5,082	7,337
Audit & Accountancy fees	-	3,000	3,000	1,800
	<u>88,207</u>	<u>3,000</u>	<u>91,207</u>	<u>93,594</u>
Analysed between				
Charitable activities	<u>88,207</u>	<u>3,000</u>	<u>91,207</u>	<u>93,594</u>

Governance costs includes payments to the auditors of £3,000 (2022- £1,800) for audit fees.

8 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year.

9 Employees

The average monthly number employees during the year was:

	2023	2022
	Number	Number
	<u>39</u>	<u>33</u>
Employment costs	2023	2022
	£	£
Wages and salaries	478,737	454,741
Social security costs	21,025	16,544
	<u>499,762</u>	<u>471,285</u>

SMALL WONDERS CHILDCARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

9 Employees

(Continued)

No employee received remuneration of more than £60,000 during the year (2022 - NIL).

10 Tangible fixed assets

	Equipment	Motor vehicles	Total
	£	£	£
Cost			
At 1 April 2022	8,816	14,850	23,666
At 31 March 2023	8,816	14,850	23,666
Depreciation and impairment			
At 1 April 2022	8,303	5,940	14,243
Depreciation charged in the year	128	1,485	1,613
At 31 March 2023	8,431	7,425	15,856
Carrying amount			
At 31 March 2023	385	7,425	7,810
At 31 March 2022	513	8,910	9,423

11 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	12,567	18,861
Other debtors	1,170	170
Prepayments and accrued income	10,142	9,880
	23,879	28,911

SMALL WONDERS CHILDCARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

12 Loans and overdrafts

	2023 £	2022 £
Bank overdrafts	1,004	-
Payable within one year	1,004	-

13 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank overdrafts	12	1,004	-
Trade creditors		15,157	8,235
Amounts owed to related party undertakings		38,497	38,497
Other creditors		4,058	676
		58,716	47,408

14 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 1 April 2022 £	Incoming resources £	Resources expended £	Balance at 31 March 2023 £
HSCB	641	-	(128)	513	-	(128)	385
BCC SC Grant	-	1,500	(1,500)	-	5,000	(5,000)	-
DOH - SPPG							
BCCP	-	-	-	-	1,800	(1,800)	-
	641	1,500	(1,628)	513	6,800	(6,928)	385

SMALL WONDERS CHILDCARE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

15 Analysis of net assets between funds

	Unrestricted Fund 2023 £	Restricted Fund 2023 £	Total 2023 £	Unrestricted Fund 2022 £	Restricted Fund 2022 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:						
Tangible assets	7,425	385	7,810	8,910	513	9,423
Current assets/(liabilities)	53,146	-	53,146	99,371	-	99,371
	<u>60,571</u>	<u>385</u>	<u>60,956</u>	<u>108,281</u>	<u>513</u>	<u>108,794</u>

16 Related party transactions

Transactions with related parties

During the year the Charity entered into the following transactions with related parties:

During the year, Small Wonders Childcare entered into transactions with Shankill Womens Centre, a related party. At the balance sheet date, the amount owed to Shankill Womens Centre was £38,497 (2022 - Small Wonders Childcare owed £38,497).

17 Cash generated from operations

	2023 £	2022 £
Deficit for the year	(47,838)	(75,423)
Adjustments for:		
Amortisation and impairment of intangible assets	1,613	1,613
Movements in working capital:		
Decrease in debtors	5,032	6,147
Increase/(decrease) in creditors	10,304	(193)
Cash absorbed by operations	<u>(30,889)</u>	<u>(67,856)</u>

18 Analysis of changes in net funds

The Charity had no debt during the year.