

REGISTERED COMPANY NUMBER: 03400781 (England and Wales)
REGISTERED CHARITY NUMBER: 1064070

REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2021
FOR
ROOTS AND SHOOTS

Kings CAP Ltd
Statutory Auditor
4 Grovelands
Boundary Way
Hemel Hempstead
Hertfordshire
HP2 7TE

ROOTS AND SHOOTS

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for the Year Ended 31 August 2021

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ROOTS AND SHOOTS

REPORT OF THE TRUSTEES **for the Year Ended 31 August 2021**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 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

To advance education for the public benefit by the provision of training and education to young people with learning difficulties and/or emotional and behavioural problems and to promote for the benefit of the public and to advance the education of the public in the conservation protection and improvement of the physical and natural environment.

The charity seeks to achieve its charitable aims by providing:

- Education and training in horticultural and conservation for young people with learning difficulties, social and emotional problems, to help them find and keep employment
- Environmental education for the whole community and for the enrichment of the biodiversity of the local area

Public benefit

The Trustees confirm they have complied with their duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit. Roots and Shoots provides vocational training for young people with learning, behavioural and emotional difficulties which includes support to improve functional skills and personal development alongside practical skills in areas including Horticulture and Retail.

We also provide environmental education to schools and the local community and use the assets and resources of the charity to promote a sustainable environment and for the benefit of the public. The charity is located in an inner city area where many local residents and schoolchildren live on large social housing estates and do not have access to the natural world. We aim to redress this imbalance by working with schools and the wider community and encourage access to and use of the Wildlife Garden, neighbouring land and the charity's resources and expertise.

ROOTS AND SHOOTS

REPORT OF THE TRUSTEES **for the Year Ended 31 August 2021**

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance

This was another difficult year due to the pandemic and many obstacles had to be overcome to safely deliver our educational programme to our young people. During the subsequent lockdowns staff taught students over 'zoom' as well as by keeping close contact by phone, email etc to ensure their well-being.

As soon as it was relatively safe for their return in May 2021 (as instructed by the Department of Education) safety measures were taken including rigorous cleaning practices which were maintained to minimise possible infection. Despite the many difficulties, we met all our targets and educational outcomes for our young people.

A severe leak in the roof of the coach house, resulted in extensive damage to the property, these meeting rooms are used for venue hire, (suspended during the pandemic). Funding was given by the National Lottery's covid support programme for these very necessary repairs to the roof etc. On further investigation, further extensive remedial work was needed due to correct unseen damage. The trustees felt it was prudent to spend the funds required to ensure the building was of a good standard as a future asset for the charity, this work has now been completed.

This year the kitchen was also refitted to bring it up to a high standard, a local benefactor gave funds to purchase a new freezer and fridge. We were also awarded five stars by Lambeth's environmental inspector for food hygiene.

Due to the ongoing pandemic no public events were organised due to safety concerns. As there was no replacement member of staff recruited to oversee the City Bridge Trust funded environmental programme due to the site being closed to the public. Some of this funding was used to refurbish and replant the Wildlife Garden that had become very overgrown and unsuitable for educational purposes. Work was carried out during the year by key staff and local volunteers overseen by the Director. We are very grateful to City Bridge Trust, this has enabled Roots and Shoots to develop a refurbished and sustainable educational garden, that will provide long term benefits for the London wide community and enhance local biodiversity.

Plans for the Future

Going forward we anticipate having all our student places filled for our education programme in the next academic year and look forward further developing a new environmental education department as we celebrate in 2022 our 40th anniversary.

FINANCIAL REVIEW

Reserves policy

The charity's free reserves as at 31 August 2021 were £205,341 (31 August 2020: £186,309). The trustees set aside a sum of £100,000 to cover and safeguard the costs of its core training activities in case of unforeseen delays or problems with government and other funding. This is based on an estimated 3 month's cost.

In addition the trustees recognise the costs associated with maintaining the buildings, facilities and site and to ensure compliance with building and health and safety regulations and have allocated a sum of £20,000 to cover such costs. This is based on the current expenditure on routine improvements, planned maintenance and the replacement of essential plant and equipment.

The Hall and Freehold Property Fund represents the net book value of the property held by the charity.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Organisational structure

Roots and Shoots has a clearly defined structure comprising a board of trustees and a finance and general purpose sub committee. This governing body has responsibility for the overall management, strategic direction and policy of the charity.

The day to day responsibility for the provision of services, administration, operational functions, fundraising and development of the organisation is the responsibility of the Roots and Shoots Company Secretary.

ROOTS AND SHOOTS

REPORT OF THE TRUSTEES **for the Year Ended 31 August 2021**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Induction and training of new trustees

Trustees are appointed by the Board and serve for three years after which they may be reappointed. Potential trustees are invited to submit a CV to the Board and to meet with the Director, Chair and other trustees as necessary. They are provided with information on the charity and a copy of the annual accounts. Trustees' interests are recorded on appointment and updated annually. Any likely conflict of interest is declared at the start of each meeting, recorded in the minutes and if applicable the trustee would not participate in the decision.

Risk management

The trustees have a duty to review and identify the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. The trustees have established a risk register which is reviewed on an annual basis and monitored at their quarterly management meetings.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

03400781 (England and Wales)

Registered Charity number

1064070

Registered office

Walnut Tree Walk
Kennington
London
SE11 6DN

Trustees

G G Cocking
D Coghlan
G King
M L Macdonald
A M Mitchell
V A Stapleton
J Thomson
V Willmott

Company Secretary

L M Philips

Auditors

Kings CAP Ltd
Statutory Auditor
4 Grovelands
Boundary Way
Hemel Hempstead
Hertfordshire
HP2 7TE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Roots and Shoots for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"

ROOTS AND SHOOTS

REPORT OF THE TRUSTEES
for the Year Ended 31 August 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES - continued

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 charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:


- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Kings CAP Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 17/2/22 and signed on its behalf by:


.....
V A Stapleton - Trustee

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ROOTS AND SHOOTS**

Opinion

We have audited the financial statements of Roots and Shoots (the 'charitable company') for the year ended 31 August 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'; 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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 the provisions available for small entities, in the circumstances set out in note 18 to the financial statements, 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.

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 charitable company'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 trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ROOTS AND SHOOTS**

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes 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 charitable company'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.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ROOTS AND SHOOTS**

Our responsibilities for the audit of the financial statements

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations was to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity by way of discussions with the trustees and from our commercial knowledge and experience in the charitable sector. We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charity, including the Companies Act 2006, Charities Act 2011 and data protection, employment and health and safety legislation.

We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence and identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls we performed analytical procedures to identify and unusual or unexpected relationships; tested journal entries to identify unusual transactions assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with relevant regulators, and the company's external advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ROOTS AND SHOOTS**

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Sara Brown (Senior Statutory Auditor)
for and on behalf of Kings CAP Ltd
Statutory Auditor
4 Grovelands
Boundary Way
Hemel Hempstead
Hertfordshire
HP2 7TE

Date: 16 May 2022

ROOTS AND SHOOTS

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	-	870,025	870,025	827,050
Charitable activities	6				
Charitable activities		-	676	676	5,340
Other trading activities	4	19,446	92,720	112,166	196,114
Investment income	5	1	12	13	90
Other income		-	-	-	462
Total		19,447	963,433	982,880	1,029,056
EXPENDITURE ON					
Charitable activities	7				
Hall hire		415	-	415	40,957
Charitable activities		-	927,838	927,838	970,975
Other		-	32,760	32,760	32,760
Total		415	960,598	961,013	1,044,692
NET INCOME/(EXPENDITURE)		19,032	2,835	21,867	(15,636)
RECONCILIATION OF FUNDS					
Total funds brought forward		186,309	994,776	1,181,085	1,196,721
TOTAL FUNDS CARRIED FORWARD		205,341	997,611	1,202,952	1,181,085

The notes form part of these financial statements

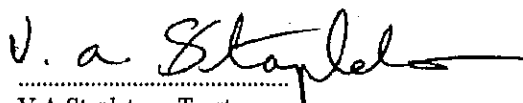
ROOTS AND SHOOTS

BALANCE SHEET
31 August 2021

	Notes	Unrestricted funds £	Restricted funds £	31.8.21 Total funds £	31.8.20 Total funds £
FIXED ASSETS					
Tangible assets	13	-	862,102	862,102	898,536
CURRENT ASSETS					
Debtors	14	3,879	61,336	65,215	49,624
Cash at bank		205,341	103,289	308,630	292,376
		<u>209,220</u>	<u>164,625</u>	<u>373,845</u>	<u>342,000</u>
CREDITORS					
Amounts falling due within one year	15	(3,879)	(29,116)	(32,995)	(59,451)
		<u>205,341</u>	<u>135,509</u>	<u>340,850</u>	<u>282,549</u>
NET CURRENT ASSETS					
		<u>205,341</u>	<u>997,611</u>	<u>1,202,952</u>	<u>1,181,085</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>205,341</u>	<u>997,611</u>	<u>1,202,952</u>	<u>1,181,085</u>
NET ASSETS					
		<u>205,341</u>	<u>997,611</u>	<u>1,202,952</u>	<u>1,181,085</u>
FUNDS	16				
Unrestricted funds				205,341	186,309
Restricted funds				997,611	994,776
TOTAL FUNDS				<u>1,202,952</u>	<u>1,181,085</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 17 February 2022 and were signed on its behalf by:


.....
V A Stapleton - Trustee

ROOTS AND SHOOTS

CASH FLOW STATEMENT
for the Year Ended 31 August 2021

	Notes	31.8.21 £	31.8.20 £
Cash flows from operating activities			
Cash generated from operations	1	28,052	132,224
Net cash provided by operating activities		<u>28,052</u>	<u>132,224</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(11,811)	(54,323)
Interest received		13	90
Net cash used in investing activities		<u>(11,798)</u>	<u>(54,233)</u>
Change in cash and cash equivalents in the reporting period		<u>16,254</u>	<u>77,991</u>
Cash and cash equivalents at the beginning of the reporting period		<u>292,376</u>	<u>214,385</u>
Cash and cash equivalents at the end of the reporting period		<u><u>308,630</u></u>	<u><u>292,376</u></u>

The notes form part of these financial statements

ROOTS AND SHOOTS

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 August 2021

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31.8.21	31.8.20
	£	£
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	21,867	(15,636)
Adjustments for:		
Depreciation charges	48,245	41,494
Interest received	(13)	(90)
(Increase)/decrease in debtors	(15,591)	60,131
(Decrease)/increase in creditors	(26,456)	46,325
Net cash provided by operations	<u>28,052</u>	<u>132,224</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.20	Cash flow	At 31.8.21
	£	£	£
Net cash			
Cash at bank	292,376	16,254	308,630
	<u>292,376</u>	<u>16,254</u>	<u>308,630</u>
Total	<u>292,376</u>	<u>16,254</u>	<u>308,630</u>

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 August 2021

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis which assumes that the charity will continue for the next 12 months. The trustees continue to adopt the going concern basis of accounting despite the current economic impact as a result of COVID-19. The trustees regularly review the financial position and performance of the charity to ensure there is relevant contingencies in place should their funding be impacted. There are no material uncertainties about the charity's ability to continue for the foreseeable future.

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.

Freehold property	-	Straight line from date of acquisition
Fixtures and fittings	-	25% on reducing balance
Motor vehicles	-	25% on reducing balance
Computer equipment	-	25% on reducing balance

Taxation

The charity is exempt from corporation 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.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Financial instruments

The company 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 company's balance sheet when the company becomes party to the contractual provisions of the instrument.

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 August 2021

1. ACCOUNTING POLICIES - continued

Financial instruments

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.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, that are classified as debt, 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 business 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.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

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 assumption 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.

Critical Judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Legacy Income

Legacy income is recognised in the accounts when it is probable it will be remitted to the charity and can be measured reliably.

Key sources of estimation uncertainty

The estimates and assumptions which have significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Depreciation rate of Freehold Property

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 August 2021

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY - continued

The trustees adopt a 50 year straight line depreciation policy on the buildings in which they occupy. Due to the nature of the buildings use and location the depreciation rate adopted reflects the general wear and tear of the building over time.

3. DONATIONS AND LEGACIES

	31.8.21	31.8.20
	£	£
Donations	34,452	19,499
Legacies	62,487	-
Grants	773,086	807,551
	<u>870,025</u>	<u>827,050</u>

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

	31.8.21	31.8.20
	£	£
Education and Skills Funding Agency	342,699	370,455
High Needs Funding - Lambeth SEN	153,862	204,668
High Needs Funding - Southwark Council	148,701	74,423
High Needs Funding - Wandsworth Council	34,643	77,667
High Needs Funding - Lewisham Council	8,449	8,047
High Needs Funding - Croydon Council	9,859	5,338
High Needs Funding - Bromley	11,748	17,189
High Needs Funding - Surrey	-	2,264
High Needs Funding - Hammersmith & Fulham	-	7,500
High Needs Funding - Royal Borough Greenwich	17,225	-
City of London (Bridge House)	40,900	-
City of London	5,000	40,000
	<u>773,086</u>	<u>807,551</u>

4. OTHER TRADING ACTIVITIES

	31.8.21	31.8.20
	£	£
Hall hire	16,411	94,984
School links & study programme	95,755	101,130
	<u>112,166</u>	<u>196,114</u>

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2021

5.	INVESTMENT INCOME		31.8.21	31.8.20
			£	£
	Deposit account interest		<u>13</u>	<u>90</u>
6.	INCOME FROM CHARITABLE ACTIVITIES		31.8.21	31.8.20
		Activity	£	£
	Sales	Charitable activities	676	4,603
	Wildlife Garden	Charitable activities	-	737
			<u>676</u>	<u>5,340</u>
7.	CHARITABLE ACTIVITIES COSTS			
		Direct Costs £	Support costs (see note 8) £	Totals £
	Hall hire	184	231	415
	Charitable activities	33,541	894,297	927,838
		<u>33,725</u>	<u>894,528</u>	<u>928,253</u>
8.	SUPPORT COSTS			
		Other £	Governance costs £	Totals £
	Hall hire	231	-	231
	Charitable activities	875,289	19,008	894,297
		<u>875,520</u>	<u>19,008</u>	<u>894,528</u>

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

	Hall hire £	Charitable activities £	31.8.21 Total activities £	31.8.20 Total activities £
Wages	-	315,714	315,714	332,036
Social security	-	24,900	24,900	25,582
Pensions	-	7,102	7,102	6,646
Premises costs	178	66,886	67,064	60,693
Insurance	-	16,351	16,351	15,880
Light and heat	-	9,355	9,355	9,879
Telephone and internet	-	2,669	2,669	5,814
Printing, postage & stationery	-	9,235	9,235	8,827
Sundries	-	214	214	2,904
Bank charges	53	682	735	1,641
Staff training	-	2,204	2,204	382
Staff travel	-	9,390	9,390	2,998
Computer costs	-	14,479	14,479	29,319
	<u>231</u>	<u>479,181</u>	<u>479,412</u>	<u>502,601</u>
Carried forward				

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2021

8. SUPPORT COSTS - continued

	Hall hire	Charitable	31.8.21	31.8.20
	£	activities	Total	Total
	£	£	activities	activities
	£	£	£	£
Brought forward	231	479,181	479,412	502,601
Motor expenses	-	1,110	1,110	646
Education & Certs	-	8,709	8,709	14,660
CRB checks	-	1,698	1,698	92
Trustee expenses	-	-	-	1,650
Cleaning	-	13,301	13,301	4,195
Student expenses	-	7,490	7,490	4,939
Membership & registration fees	-	267	267	157
Support staff	-	323,556	323,556	367,861
Consultancy	-	-	-	870
Legal and professional	-	7,741	7,741	11,372
Data management	-	8,240	8,240	12,000
Security and health & safety	-	3,311	3,311	6,409
Donations paid	-	5,200	5,200	-
Depreciation of tangible fixed assets	-	15,485	15,485	8,734
Auditors' remuneration	-	4,200	4,200	3,600
Accountancy fees	-	14,808	14,808	15,543
	<u>231</u>	<u>894,297</u>	<u>894,528</u>	<u>955,329</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	31.8.21	31.8.20
	£	£
Auditors' remuneration	4,200	3,600
Depreciation - owned assets	<u>48,245</u>	<u>41,494</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

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

Trustees' expenses

There were no trustee's expenses paid for the year ended 31 August 2021 (2020: £1,650).

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2021

11. STAFF COSTS

	31.8.21	31.8.20
	£	£
Wages and salaries	315,714	332,036
Social security costs	24,900	25,582
Other pension costs	7,102	6,646
	<hr/> 347,716 <hr/>	<hr/> 364,264 <hr/>

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

	31.8.21	31.8.20
Management	1	1
Administration	4	2
Project workers	8	8
	<hr/> 13 <hr/>	<hr/> 11 <hr/>

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

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	-	827,050	827,050
Charitable activities			
Charitable activities	-	5,340	5,340
Other trading activities	94,983	101,131	196,114
Investment income	52	38	90
Other income	-	462	462
Total	<hr/> 95,035 <hr/>	<hr/> 934,021 <hr/>	<hr/> 1,029,056 <hr/>
EXPENDITURE ON			
Charitable activities			
Hall hire	40,957	-	40,957
Charitable activities	-	970,975	970,975
Other	-	32,760	32,760
Total	<hr/> 40,957 <hr/>	<hr/> 1,003,735 <hr/>	<hr/> 1,044,692 <hr/>
NET INCOME/(EXPENDITURE)	<hr/> 54,078 <hr/>	<hr/> (69,714) <hr/>	<hr/> (15,636) <hr/>
Transfers between funds	<hr/> (89,693) <hr/>	<hr/> 89,693 <hr/>	<hr/> - <hr/>
Net movement in funds	<hr/> (35,615) <hr/>	<hr/> 19,979 <hr/>	<hr/> (15,636) <hr/>
RECONCILIATION OF FUNDS			
Total funds brought forward	221,924	974,797	1,196,721

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2021

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued					
		Unrestricted	Restricted	Total	
		funds	funds	funds	
		£	£	£	
TOTAL FUNDS CARRIED FORWARD		<u>186,309</u>	<u>994,776</u>	<u>1,181,085</u>	
13. TANGIBLE FIXED ASSETS					
	Freehold	Fixtures			
	property	and	Motor	Computer	
	£	fittings	vehicles	equipment	Totals
		£	£	£	£
COST					
At 1 September 2020	1,747,996	182,179	26,000	78,969	2,035,144
Additions	-	9,552	-	2,259	11,811
	<u>1,747,996</u>	<u>191,731</u>	<u>26,000</u>	<u>81,228</u>	<u>2,046,955</u>
At 31 August 2021					
DEPRECIATION					
At 1 September 2020	905,959	148,152	25,814	56,683	1,136,608
Charge for year	32,760	9,303	46	6,136	48,245
	<u>938,719</u>	<u>157,455</u>	<u>25,860</u>	<u>62,819</u>	<u>1,184,853</u>
At 31 August 2021					
NET BOOK VALUE					
At 31 August 2021	<u>809,277</u>	<u>34,276</u>	<u>140</u>	<u>18,409</u>	<u>862,102</u>
At 31 August 2020	<u>842,037</u>	<u>34,027</u>	<u>186</u>	<u>22,286</u>	<u>898,536</u>

Included in cost or valuation of land and buildings is freehold land of £110,000 (2020 - £110,000) which is not depreciated.

The freehold property is subject to a legal charge. No disposition of the property is to be registered without written consent of the National Lottery Charities Board.

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
	31.8.21	31.8.20
	£	£
Trade debtors	48,964	5,694
Other debtors	3,879	8,071
Prepayments	12,372	5,982
Accrued grant income	-	29,877
	<u>65,215</u>	<u>49,624</u>

ROOTS AND SHOOTS

**NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2021**

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.21	31.8.20
	£	£
Trade creditors	20,069	50,654
Other creditors	1,398	3,757
Accruals	11,528	5,040
	32,995	59,451

16. MOVEMENT IN FUNDS

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	166,309	19,032	-	185,341
Planned maintenance and facilities management costs	20,000	-	-	20,000
	186,309	19,032	-	205,341
Restricted funds				
Education	152,739	35,595	(100,000)	88,334
Hall and freehold property fund	842,037	(32,760)	-	809,277
Training activities	-	-	100,000	100,000
	994,776	2,835	-	997,611
TOTAL FUNDS	1,181,085	21,867	-	1,202,952

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	19,447	(415)	19,032
Restricted funds			
Education	963,433	(927,838)	35,595
Hall and freehold property fund	-	(32,760)	(32,760)
	963,433	(960,598)	2,835
TOTAL FUNDS	982,880	(961,013)	21,867

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2021

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.20 £
Unrestricted funds				
General fund	201,924	54,078	(89,693)	166,309
Planned maintenance and facilities management costs	20,000	-	-	20,000
	<u>221,924</u>	<u>54,078</u>	<u>(89,693)</u>	<u>186,309</u>
Restricted funds				
Education	100,000	(36,954)	89,693	152,739
Hall and freehold property fund	874,797	(32,760)	-	842,037
	<u>974,797</u>	<u>(69,714)</u>	<u>89,693</u>	<u>994,776</u>
TOTAL FUNDS	<u>1,196,721</u>	<u>(15,636)</u>	<u>-</u>	<u>1,181,085</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	95,035	(40,957)	54,078
Restricted funds			
Education	934,021	(970,975)	(36,954)
Hall and freehold property fund	-	(32,760)	(32,760)
	<u>934,021</u>	<u>(1,003,735)</u>	<u>(69,714)</u>
TOTAL FUNDS	<u>1,029,056</u>	<u>(1,044,692)</u>	<u>(15,636)</u>

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 August 2021

16. MOVEMENT IN FUNDS - continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.19 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	201,924	73,110	(89,693)	185,341
Planned maintenance and facilities management costs	20,000	-	-	20,000
	<u>221,924</u>	<u>73,110</u>	<u>(89,693)</u>	<u>205,341</u>
Restricted funds				
Education	100,000	(1,359)	(10,307)	88,334
Hall and freehold property fund	874,797	(65,520)	-	809,277
Training activities	-	-	100,000	100,000
	<u>974,797</u>	<u>(66,879)</u>	<u>89,693</u>	<u>997,611</u>
TOTAL FUNDS	<u>1,196,721</u>	<u>6,231</u>	<u>-</u>	<u>1,202,952</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	114,482	(41,372)	73,110
Restricted funds			
Education	1,897,454	(1,898,813)	(1,359)
Hall and freehold property fund	-	(65,520)	(65,520)
	<u>1,897,454</u>	<u>(1,964,333)</u>	<u>(66,879)</u>
TOTAL FUNDS	<u>2,011,936</u>	<u>(2,005,705)</u>	<u>6,231</u>

The trustees have set aside a sum of £100,000 to cover and safeguard training activities in case of unforeseen delays or problems with government funding. This is based on an estimated 3 month's cost.

In addition the trustees recognise the costs associated with maintaining the buildings, facilities and site and to ensure compliance with building and health and safety regulations and have allocated a sum of £20,000 to cover such costs. This is based on the current expenditure on routine improvements, planned maintenance and the replacement of essential plant and equipment.

The Hall and Freehold Property Fund represents the net book value of the property held by the charity.

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2021

17. RELATED PARTY DISCLOSURES

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

18. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to assist with the preparation of the financial statements.