

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 2023
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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ROOTS AND SHOOTS

REPORT OF THE TRUSTEES **for the Year Ended 31 August 2023**

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 2023. 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 2023

ACHIEVEMENT AND PERFORMANCE

Achievements and Performance

This year has proved to be both busy and successful in all areas of charity's activities. The trustees have overseen a very productive year with continued support from our funders including the Department of Education, local councils that support our High Needs funding. Various charitable trusts have funded our additional projects to enhance the facilities we offer to our young people and the community.

This year also saw a rigorous two day inspection by two Ofsted inspectors. Our educational managers and staff team have been consistently working hard on all aspects of our educational provision to ensure that Roots and Shoots was working to the highest educational standards across the organisation. As our students are vulnerable young people. Roots and Shoots has a rigorous and active Safeguarding policy that is reviewed annually (along with our other policies). The Trustees and staff undertake ongoing Safeguarding, as well as Health and Safety training as part of their key duties, the inspectors were highly satisfied that the required high standard was met and awarded us 'Good' across all areas of the inspection framework.

This inspection included meeting and speaking to our students at local businesses that support our charity by providing work experience for our students, this provides them with an insight into the 'world of work. The inspectors were very complimentary on how our young people progress and are supported during their time at Roots and Shoots, so that when they complete their training they feel confident to apply for a job or move on to another meaningful destination.

Our School Links provision for local special schools continues to be very popular with school pupils, most of these school pupils live in the deprived boroughs of Lambeth and Southwark in poor housing conditions. Their access to the educational facilities at Roots and Shoots is often their only opportunity to enjoy 'green' surroundings with the opportunity to experience 'campfire' cooking and other outside practical activities. Two schools have had to reduce some of their sessions from our programme due to reduction in school funding but other schools have come forward to take their place.

Our new comprehensive website was launched in May and has been very well received. It reflects all our charitable activities including quotes from user groups. Potential students and their families can make contact for enrolment and also receive advice regarding Health and Social Care Plans.

It has been very helpful for booking venue hire for charities wishing to hire our hall and meeting rooms, it clearly shows what we can offer in terms of facilities and catering etc. Our venue hire has also had a successful year with a wide range of charities including MacMillan Cancer Care, Women and Girls Network etc. The rest of our users include statutory organisations such as Lambeth Council, Defra and Natural England and many other Whitehall departments. This also gives the opportunity for our students to work alongside the chefs in the (venue hire) kitchen to prepare the food for the events as part of their educational enrichment programme and use some of the home grown salad and herbs from our gardens to enhance the menu offered to our clients.

As part of our venue hire provision we also support 'The Grounding Project'. This is an NHS initiative to provide horticultural therapy and psychotherapy to refugees who have suffered torture. Our staff and students have built a small garden for this project so they can grow vegetables and flowers as part of their therapeutic practice.

We also have corporate volunteers on a regular basis throughout the year that come and work in our gardens and help with various gardening projects such as weeding and mulching, digging etc. this helps with the maintenance of our large garden areas. A weekly core team of local garden volunteers drawn from the local community also attend weekly gardening sessions on site.

Next year we will be working towards the Matrix Standard that will be evaluated by an external assessor. This national training standard is to identify that across the organisation that all staff help develop meaningful work experience placements for students that supports individual's development and guides them into work when they finish their training at Roots and Shoots.

ROOTS AND SHOOTS

REPORT OF THE TRUSTEES **for the Year Ended 31 August 2023**

FINANCIAL REVIEW

Reserves policy

The charity's free reserves as at 31 August 2023 were £379,902 (31 August 2022: £291,312). 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.

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

ROOTS AND SHOOTS

REPORT OF THE TRUSTEES **for the Year Ended 31 August 2023**

Trustees

Rev G G Cocking
D Coghlan
G King
M L Macdonald
A M Mitchell
V A Stapleton
J Thomson
V Willmott (resigned 7.6.23)

Company Secretary

L M Phillips

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".

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.

ROOTS AND SHOOTS

REPORT OF THE TRUSTEES
for the Year Ended 31 August 2023

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 22/2/24 and signed on its behalf by:

V. a Stapleton
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 2023 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 2023 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 any 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 and 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: 27 February 2024

ROOTS AND SHOOTS

STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 August 2023

	Notes	Unrestricted funds £	Restricted funds £	31.8.23 Total funds £	31.8.22 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	79	1,065,821	1,065,900	1,007,716
Charitable activities					
Charitable activities	6	-	2,760	2,760	2,218
Other trading activities	4	101,984	183,012	284,996	241,853
Investment income	5	560	2,266	2,826	134
Total		<u>102,623</u>	<u>1,253,859</u>	<u>1,356,482</u>	<u>1,251,921</u>
EXPENDITURE ON					
Charitable activities					
Charitable activities	7	14,033	1,193,723	1,207,756	1,092,309
Other		-	32,760	32,760	32,760
Total		<u>14,033</u>	<u>1,226,483</u>	<u>1,240,516</u>	<u>1,125,069</u>
NET INCOME		88,590	27,376	115,966	126,852
RECONCILIATION OF FUNDS					
Total funds brought forward		291,312	1,038,492	1,329,804	1,202,952
TOTAL FUNDS CARRIED FORWARD		<u><u>379,902</u></u>	<u><u>1,065,868</u></u>	<u><u>1,445,770</u></u>	<u><u>1,329,804</u></u>

The notes form part of these financial statements

ROOTS AND SHOOTS

BALANCE SHEET
31 August 2023

	Notes	Unrestricted funds £	Restricted funds £	31.8.23 Total funds £	31.8.22 Total funds £
FIXED ASSETS					
Tangible assets	13	-	812,072	812,072	855,286
CURRENT ASSETS					
Debtors	14	-	69,385	69,385	33,770
Cash at bank and in hand		379,902	217,424	597,326	461,453
		<u>379,902</u>	<u>286,809</u>	<u>666,711</u>	<u>495,223</u>
CREDITORS					
Amounts falling due within one year	15	-	(33,013)	(33,013)	(20,705)
NET CURRENT ASSETS		<u>379,902</u>	<u>253,796</u>	<u>633,698</u>	<u>474,518</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>379,902</u>	<u>1,065,868</u>	<u>1,445,770</u>	<u>1,329,804</u>
NET ASSETS		<u>379,902</u>	<u>1,065,868</u>	<u>1,445,770</u>	<u>1,329,804</u>
FUNDS	16				
Unrestricted funds				379,902	291,312
Restricted funds				1,065,868	1,038,492
TOTAL FUNDS				<u>1,445,770</u>	<u>1,329,804</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 22 February 2024..... and were signed on its behalf by:

V. 

V A Stapleton - Trustee

ROOTS AND SHOOTS

CASH FLOW STATEMENT
for the Year Ended 31 August 2023

	Notes	31.8.23 £	31.8.22 £
Cash flows from operating activities			
Cash generated from operations	1	<u>145,363</u>	<u>194,194</u>
Net cash provided by operating activities		<u>145,363</u>	<u>194,194</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		<u>(12,316)</u>	<u>(41,505)</u>
Interest received		<u>2,826</u>	<u>134</u>
Net cash used in investing activities		<u>(9,490)</u>	<u>(41,371)</u>
Change in cash and cash equivalents in the reporting period			
		<u>135,873</u>	<u>152,823</u>
Cash and cash equivalents at the beginning of the reporting period		<u>461,453</u>	<u>308,630</u>
Cash and cash equivalents at the end of the reporting period		<u>597,326</u>	<u>461,453</u>

The notes form part of these financial statements

ROOTS AND SHOOTS

NOTES TO THE CASH FLOW STATEMENT for the Year Ended 31 August 2023

1. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES	31.8.23	31.8.22
	£	£
Net income for the reporting period (as per the Statement of Financial Activities)	115,966	126,852
Adjustments for:		
Depreciation charges	55,531	48,321
Interest received	(2,826)	(134)
(Increase)/decrease in debtors	(35,616)	31,445
Increase/(decrease) in creditors	12,308	(12,290)
Net cash provided by operations	<u><u>145,363</u></u>	<u><u>194,194</u></u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.22	Cash flow	At 31.8.23
	£	£	£
Net cash			
Cash at bank and in hand	461,453	135,873	597,326
	<u>461,453</u>	<u>135,873</u>	<u>597,326</u>
Total	<u><u>461,453</u></u>	<u><u>135,873</u></u>	<u><u>597,326</u></u>

The notes form part of these financial statements

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 31 August 2023

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 on the basis of continued funding from local authorities and diversification into ancillary activities to support the long term strategy of the charity. 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.

Voluntary income, including donations, gifts and legacies and grants that provide core funding or are of a general nature, are recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income derived from Hall hire and other events is recognised as earned on the basis of when the service is provided.

Income from charitable activities includes income recognised as earned where entitlement to grant funding is subject to specific performance conditions. Grant income included in this category provides funding to support programme activities and is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Investment income is recognised on a receivable basis.

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
Plant and machinery	-	25% on reducing balance
Fixtures and fittings	-	25% on reducing balance
Motor vehicles	-	25% on reducing balance
Computer equipment	-	25% on reducing balance

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 August 2023

1. ACCOUNTING POLICIES - continued

Tangible fixed assets

Where the recoverable amount of a tangible asset is found to be below its net book value the asset is written down to its recoverable amount and the loss in impairment is charged to the relevant expenditure category of the statement of financial activities. Where an asset is not primarily used to generate income its impairment is assessed by reference to its service potential on its initial acquisition. In the year, the charity currently has no tangible fixed assets to which impairment provisions apply.

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.

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.

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued for the Year Ended 31 August 2023

1. ACCOUNTING POLICIES - continued

Financial instruments

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

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

	31.8.23	31.8.22
	£	£
Donations	43,412	16,610
Grants	1,022,488	991,106
	<hr/> 1,065,900 <hr/>	<hr/> 1,007,716 <hr/>

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2023

3. DONATIONS AND LEGACIES - continued

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

	31.8.23	31.8.22
	£	£
Education and Skills Funding Agency	498,504	423,581
High Needs Funding - Lambeth SEN	290,024	286,719
High Needs Funding - London Borough Merton	9,550	12,721
High Needs Funding - Southwark Council	111,797	151,632
High Needs Funding - Wandsworth Council	58,630	79,448
High Needs Funding - Westminster Council	14,525	12,905
High Needs Funding - Lewisham Council	21,033	9,848
High Needs Funding - Bromley	-	10,258
High Needs Funding - Royal Borough Greenwich	-	3,994
High Needs Funding - Tower Hamlets	18,425	-
	<u>1,022,488</u>	<u>991,106</u>

4. OTHER TRADING ACTIVITIES

	31.8.23	31.8.22
	£	£
Hall hire	78,381	60,192
School links & study programme	206,615	181,661
	<u>284,996</u>	<u>241,853</u>

5. INVESTMENT INCOME

	31.8.23	31.8.22
	£	£
Deposit account interest	2,826	134
	<u>2,826</u>	<u>134</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	31.8.23	31.8.22
	£	£
Sales	2,760	2,218
Activity		
Charitable activities		
	<u>2,760</u>	<u>2,218</u>

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2023

7. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 8) £	Totals £
Charitable activities	<u>48,379</u>	<u>1,159,377</u>	<u>1,207,756</u>

8. SUPPORT COSTS

	Other £	Governance costs £	Totals £
Charitable activities	<u>1,132,141</u>	<u>27,236</u>	<u>1,159,377</u>

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

	31.8.23 Charitable activities £	31.8.22 Total activities £
Wages	578,418	359,567
Social security	44,709	29,291
Pensions	12,156	8,122
Premises costs	85,301	95,371
Insurance	14,201	16,771
Light and heat	27,298	9,644
Telephone and internet	3,918	3,759
Printing, postage & stationery	13,725	9,513
Sundries	-	30
Bank charges	419	678
Staff training	705	4,446
Staff travel	8,283	8,035
Computer costs	16,313	6,776
Motor expenses	809	418
Education & Certs	20,926	21,566
CRB checks	1,032	942
Trustee expenses	2,757	330
Cleaning	4,517	10,175
Student expenses	5,546	6,036
Membership & registration fees	198	185
Support staff	251,022	393,482
Legal and professional	3,637	4,213
Data management	4,000	12,000
Security and health & safety	3,049	2,104
Donations paid	-	10
Marketing Costs	5,279	-
HR	1,152	-
Depreciation of tangible fixed assets	22,771	15,561
Auditors' remuneration	3,600	3,600
Accountancy fees	23,636	17,493
	<u>1,159,377</u>	<u>1,040,118</u>

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2023

9. NET INCOME/(EXPENDITURE)

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

	31.8.23	31.8.22
	£	£
Auditors' remuneration	3,600	3,600
Depreciation - owned assets	55,530	48,321
	<u><u> </u></u>	<u><u> </u></u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

Trustees' expenses

There were trustee's expenses of £2,757 paid during the year ended 31 August 2023 (2022: £330).

11. STAFF COSTS

	31.8.23	31.8.22
	£	£
Wages and salaries	578,418	359,567
Social security costs	44,709	29,291
Other pension costs	12,156	8,122
	<u><u>635,283</u></u>	<u><u>396,980</u></u>

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

	31.8.23	31.8.22
Management	1	1
Administration	5	5
Project workers	21	9
	<u><u>27</u></u>	<u><u>15</u></u>

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	-	1,007,716	1,007,716
Charitable activities			
Charitable activities	-	2,218	2,218
Other trading activities	89,184	152,669	241,853
Investment income	30	104	134
Total	<u><u>89,214</u></u>	<u><u>1,162,707</u></u>	<u><u>1,251,921</u></u>

EXPENDITURE ON

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2023

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted funds £	Total funds £
Charitable activities			
Charitable activities	3,243	1,089,066	1,092,309
Other	-	32,760	32,760
Total	3,243	1,121,826	1,125,069
 NET INCOME	 85,971	 40,881	 126,852
 RECONCILIATION OF FUNDS			
Total funds brought forward	205,341	997,611	1,202,952
 TOTAL FUNDS CARRIED FORWARD	291,312	1,038,492	1,329,804

13. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 September 2022	1,747,996	2,495	230,741
Additions	-	-	2,559
At 31 August 2023	1,747,996	2,495	233,300
 DEPRECIATION			
At 1 September 2022	971,479	416	167,963
Charge for year	32,760	519	16,334
At 31 August 2023	1,004,239	935	184,297
 NET BOOK VALUE			
At 31 August 2023	743,757	1,560	49,003
At 31 August 2022	776,517	2,079	62,778

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2023

13. TANGIBLE FIXED ASSETS - continued

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 September 2022	26,000	81,228	2,088,460
Additions	-	9,757	12,316
	26,000	90,985	2,100,776
DEPRECIATION			
At 1 September 2022	25,895	67,421	1,233,174
Charge for year	26	5,891	55,530
	25,921	73,312	1,288,704
NET BOOK VALUE			
At 31 August 2023	79	17,673	812,072
At 31 August 2022	105	13,807	855,286

Included in cost or valuation of land and buildings is freehold land of £110,000 (2022 - £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

	31.8.23	31.8.22
	£	£
Trade debtors	58,770	27,440
Other debtors	5,133	-
Prepayments	5,482	6,330
	69,385	33,770

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.23	31.8.22
	£	£
Trade creditors	19,584	13,510
Other creditors	2,623	1,555
Accruals	10,806	5,640
	33,013	20,705

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2023

16. MOVEMENT IN FUNDS

	At 1.9.22 £	Net movement in funds £	At 31.8.23 £
Unrestricted funds			
General fund	271,312	88,590	359,902
Planned maintenance and facilities management costs	20,000	-	20,000
	<u>291,312</u>	<u>88,590</u>	<u>379,902</u>
Restricted funds			
Education	161,475	39,004	200,479
Hall and freehold property fund	776,517	(32,760)	743,757
Training activities	100,000	-	100,000
Gardening classroom	500	21,132	21,632
	<u>1,038,492</u>	<u>27,376</u>	<u>1,065,868</u>
TOTAL FUNDS	<u><u>1,329,804</u></u>	<u><u>115,966</u></u>	<u><u>1,445,770</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	102,623	(14,033)	88,590
Restricted funds			
Education	1,232,727	(1,193,723)	39,004
Hall and freehold property fund	-	(32,760)	(32,760)
Gardening classroom	21,132	-	21,132
	<u>1,253,859</u>	<u>(1,226,483)</u>	<u>27,376</u>
TOTAL FUNDS	<u><u>1,356,482</u></u>	<u><u>(1,240,516)</u></u>	<u><u>115,966</u></u>

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2023

16. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	185,341	85,971	271,312
Planned maintenance and facilities management costs	20,000	-	20,000
	<u>205,341</u>	<u>85,971</u>	<u>291,312</u>
Restricted funds			
Education	88,334	73,141	161,475
Hall and freehold property fund	809,277	(32,760)	776,517
Training activities	100,000	-	100,000
Gardening classroom	-	500	500
	<u>997,611</u>	<u>40,881</u>	<u>1,038,492</u>
TOTAL FUNDS	<u><u>1,202,952</u></u>	<u><u>126,852</u></u>	<u><u>1,329,804</u></u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	89,214	(3,243)	85,971
Restricted funds			
Education	1,162,207	(1,089,066)	73,141
Hall and freehold property fund	-	(32,760)	(32,760)
Gardening classroom	500	-	500
	<u>1,162,707</u>	<u>(1,121,826)</u>	<u>40,881</u>
TOTAL FUNDS	<u><u>1,251,921</u></u>	<u><u>(1,125,069)</u></u>	<u><u>126,852</u></u>

ROOTS AND SHOOTS

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 August 2023

16. MOVEMENT IN FUNDS - continued

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

	At 1.9.21 £	Net movement in funds £	At 31.8.23 £
Unrestricted funds			
General fund	185,341	174,561	359,902
Planned maintenance and facilities management costs	20,000	-	20,000
	<u>205,341</u>	<u>174,561</u>	<u>379,902</u>
Restricted funds			
Education	88,334	112,145	200,479
Hall and freehold property fund	809,277	(65,520)	743,757
Training activities	100,000	-	100,000
Gardening classroom	-	21,632	21,632
	<u>997,611</u>	<u>68,257</u>	<u>1,065,868</u>
TOTAL FUNDS	<u><u>1,202,952</u></u>	<u><u>242,818</u></u>	<u><u>1,445,770</u></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	191,837	(17,276)	174,561
Restricted funds			
Education	2,394,934	(2,282,789)	112,145
Hall and freehold property fund	-	(65,520)	(65,520)
Gardening classroom	21,632	-	21,632
	<u>2,416,566</u>	<u>(2,348,309)</u>	<u>68,257</u>
TOTAL FUNDS	<u><u>2,608,403</u></u>	<u><u>(2,365,585)</u></u>	<u><u>242,818</u></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 2023

17. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2023.

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.

ROOTS AND SHOOTS

DETAILED STATEMENT OF FINANCIAL ACTIVITIES for the Year Ended 31 August 2023

	31.8.23 £	31.8.22 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	43,412	16,610
Grants	1,022,488	991,106
	<hr/>	<hr/>
	1,065,900	1,007,716
Other trading activities		
Hall hire	78,381	60,192
School links & study programme	206,615	181,661
	<hr/>	<hr/>
	284,996	241,853
Investment income		
Deposit account interest	2,826	134
Charitable activities		
Sales	2,760	2,218
	<hr/>	<hr/>
Total incoming resources	1,356,482	1,251,921
 EXPENDITURE		
Charitable activities		
Horticultural expenditure	22,211	23,025
Shop purchases	-	82
Equipment purchases	10,621	7,556
Hall hire catering costs	15,547	21,528
	<hr/>	<hr/>
	48,379	52,191
Other		
Freehold property	32,760	32,760
Support costs		
Other		
Wages	578,418	359,567
Social security	44,709	29,291
Pensions	12,156	8,122
Premises costs	85,301	95,371
Insurance	14,201	16,771
Light and heat	27,298	9,644
Telephone and internet	3,918	3,759
Printing, postage & stationery	13,725	9,513
Sundries	-	30
Bank charges	419	678
Carried forward	780,145	532,746

This page does not form part of the statutory financial statements

ROOTS AND SHOOTS

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
for the Year Ended 31 August 2023

	31.8.23	31.8.22
	£	£
Other		
Brought forward	780,145	532,746
Staff training	705	4,446
Staff travel	8,283	8,035
Computer costs	16,313	6,776
Motor expenses	809	418
Education & Certs	20,926	21,566
CRB checks	1,032	942
Trustee expenses	2,757	330
Cleaning	4,517	10,175
Student expenses	5,546	6,036
Membership & registration fees	198	185
Support staff	251,022	393,482
Legal and professional	3,637	4,213
Data management	4,000	12,000
Security and health & safety	3,049	2,104
Donations paid	-	10
Marketing Costs	5,279	-
HR	1,152	-
Depreciation of tangible fixed assets	22,771	15,561
	<hr/>	<hr/>
	1,132,141	1,019,025
Governance costs		
Auditors' remuneration	3,600	3,600
Accountancy fees	23,636	17,493
	<hr/>	<hr/>
	27,236	21,093
Total resources expended	<hr/>	<hr/>
	1,240,516	1,125,069
Net income	<hr/> <hr/>	<hr/> <hr/>
	115,966	126,852

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