

THE MARIA GREY NURSERY SCHOOL

FINANCIAL STATEMENTS

For the year ended

31st August 2016

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COMPANIES HOUSE

Charities Registration No. 1002985
Registered in England and Wales No. 2608790

THE MARIA GREY NURSERY SCHOOL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2016

DIRECTORS

M. Cogan (appointed 2.10.15)
D. Lawler (appointed 2.10.14)
(resigned 2.10.15)

HEAD TEACHER

Helen Lansdell BA Hons PGCE

REGISTERED OFFICE

Field House
18a Friars Stile Road
Richmond
Surrey TW10 6NE

BANKERS

HSBC
67 George Street
Richmond
Surrey TW9 1HG

EXTERNAL EXAMINER

Alison Williamson, BA, FCMA, CGMA
38 Roehampton Gate,
LONDON SW15 5JS

SOLICITORS

Russell-Cooke Solicitors,
2 Putney Hill,
LONDON, SW15 6AB.

THE MARIA GREY NURSERY SCHOOL

FINANCIAL STATEMENTS for the year ended 31st August 2016

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THE MARIA GREY NURSERY SCHOOL DIRECTORS' REPORT

The directors present their report and the financial statements for the year ended 31st August 2016.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

- Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including the Income and Expenditure, for the financial year. In preparing those financial statements, the directors are required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006 and the UK Accounting Standards, including the Charities SORP(FRS102) and Financial Reporting Standard 102. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Maria Grey Nursery School is a registered charity and a company limited by guarantee governed by the articles and memorandum of association. It was formed in April 1991. The principal activity of which is running a nursery school. It has no share capital. Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceased to be a member.

The Director(s)/Trustee(s) are appointed at the first meeting of the academic term. They are elected from those parents or someone with close links with the nursery who are willing and are deemed to have the skills necessary to take on the responsibilities. The director(s) have undergone some training to assist them to carry out their responsibilities by going on a course and will be provided with notes from previous office holders. The head teacher and the office administrator are the Key Management Personnel. The director(s) will meet on a regular basis with the key management personnel during the year and make decisions on changes to policy, budget and accounts approval and commitments to large spends. The Director(s)/Trustee(s) will be supported by other parents who have appropriate skill sets for issues that arise. The fundraising activities will be delegated to a team of parent helpers under guidance of the Director(s)/Trustee(s) and the key management personnel. The day to day running of the nursery is delegated to the staff, led by the head teacher. The salary levels of the staff including the head teacher are proposed by the head teacher but are signed off by the director(s) on an annual basis. Key data on teachers' salaries are used to benchmark these.

THE MARIA GREY NURSERY SCHOOL

DIRECTORS' REPORT continued

OBJECTIVES AND ACTIVITIES

Objects of the company:-

To advance the education of children below compulsory school age and thereby promote their mental, moral and physical development and improvement.

When setting the objectives of the nursery, the Director(s) have made careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education and on fee-charging.

The nursery is run to provide a wealth of activities to engage the children in a learning experience. Every day there are a variety of activities provided to capture the imagination of the children with project themes running through each term. Each child is catered for with their individual requirements, with small groups being created to assist children with specific areas of development. Great care is taken to allow each child to work towards meeting the goals of the Early Years Foundation Stage. Safeguarding and promoting the welfare of the children, whilst in the nursery environment, is a priority taken very seriously.

Spaces for the nursery are filled from a waiting list of registered children with no restriction on catchment area. Priority for places is given to children with special educational needs and then to siblings of children who have attended the nursery. There is no restriction in terms of colour, race, disability, religion or ethnicity. As a charity the Nursery offers two free places (5 day morning places) per year and also has a hardship fund to the equivalent of a further place available to parents who are unexpectedly unable to fund their fees. This can be split to benefit more than one family.

Specifically, the objectives of the nursery this year were:

- Encourage each child to develop and achieve the goals of the Early Years Foundation Stage through the project work and the varied and innovative activities of the nursery therefore advancing their education.

The year 2015-16 was another busy and productive year at the Nursery, with many exciting activities for the children, and fundraising and social activities organised by the Parents' Committee.

The work of the nursery has evolved to capture the latest Early Years Foundation Stage Curriculum which consists of seven areas of learning, Personal and Social Development, Physical Development, Communication and Language, Literacy, Mathematics, Understanding the World and Expressive Arts and Design.

Personal and Social Education includes life skills such as sharing, turn-taking, making friendships and co-operative play as well as self-help skills helping each other.

Physical development involves both gross motor skills such as climbing, balancing, ball skills and pedalling, and fine motor skills such as pen and scissor control.

THE MARIA GREY NURSERY SCHOOL

DIRECTORS' REPORT continued

Communication and Language covers the skills of speaking and listening. Listening games are played, such as matching musical instrument sounds or listening to stories; daily show and tell sessions develop the children's confidence in speaking to a group. Children partake in activities such as telling a story using props, or simply talking to their friends about what they are doing.

In Literacy children develop their love of books, being able to help themselves to a book to look at on their own or with friends. Children are also able to choose a library book to take home to share with their parents. Each week there is a letter of the week, and children develop their reading skills at their own rate. Writing skills develop through mark-making, using the big chalks outside in the playground, marker pens and eventually working down to thinner felt pens.

Mathematics covers activities such as matching, sorting, 1 to 1 counting, ordering, adding and taking away and learning about the properties of shape.

Understanding of the World, encompasses science, construction and exploration of materials as well as history, geography and cultural studies. The children are given a great opportunity to witness first hand growing plants, rearing of chickens, guinea pigs, a tortoise, caterpillar and tadpole development. The children are encouraged to get involved in the gardening activities which teaches them how to grow vegetables and understanding what plants need to grow. They particularly enjoy harvesting and tasting the end product. The children also are given exploratory experience with sand and water. There is a "beebot" and computer provided for the children to use. The children are also provided with a variety of materials to explore construction techniques. Very exciting science topics are included for the children to explore - space, magnets and light bulb circuits.

The Creative area of the curriculum includes art in two and three dimensions, music, dance, singing and use of instruments, movement and drama, imaginary and role play.

The nursery provides group time on a daily basis which covers activities like Music and Movement, French, Maths/Science/Eco, Music and singing and circle time. This brings the children together to share an experience in a bigger group helping them with the social skills that this involves also.

The nursery benefits greatly from the enthusiastic, well qualified and long serving team. Three staff reached their 10th work anniversary showing their long standing commitment to the nursery. All the staff took a 2 day refresher course in first aid plus several staff members took various short courses on different aspects of the curriculum. The nursery continues to host students to give them practical experience for their training. Also two pupils from a local school enjoyed a work placement. The nursery provides an ideal setting for the students to gain experience in a very child centered environment. This all helps to keep an extremely favourable adult child ratio.

The Nursery has always benefitted greatly from parental involvement, with a wide selection of nationalities represented amongst the families. Parents came in to tell stories about Hannukah, the Islamic New Year, Diwali, Thanksgiving and Chinese New Year. Parents came in to tell stories in various languages as well as English. A German day was instigated by one parent. As always the parents provided a strong community atmosphere by organising coffee mornings, social evenings and fund raising activities. The big parents' social and fundraising event of the year was the Mad Men themed Christmas auction which raised money to go towards new playground equipment.

THE MARIA GREY NURSERY SCHOOL DIRECTORS' REPORT continued

Parents ran a stall at the Richmond May Fair raising more funds towards the ground floor project. Quiz nights and social events have also been organised by parents.

The nursery continued working towards our Eco Schools Green Flag Status. Two road safety training sessions led by a council traffic safety officer were organised for the children, one about walking and one about scooters. Parents came in to help take children out in small groups on local 'traffic walks'. A survey was done on parents and an annual Travel Plan was produced. This provides the children with very important information for their safety.

All the improvements made to the nursery year by year provide a lasting impact that will benefit generations of children to come. Over the last twelve years the facilities have been extended to include the conservatory, the 'Green Room', the redesign of the garden, new play equipment and fixtures, a security upgrade, a new garage, the addition of the first floor rooms, the playground awning and of course the ground floor project. All this has been facilitated by the generosity of previous parents in organising wonderful fundraising activities.

The ground floor project including some extra necessary improvements will cost a total of £91.9k which is being funded by the fundraising activities in recent years plus transfers from the reserves.

ACHIEVEMENTS & PERFORMANCE

Summary of main achievements – The children are each provided with progress folders for their early learning goals. The summation of each child's progress shows the achievements of the nursery. This provides the children's future schools with well socialised, keen learners and children who are able to listen and carry out instructions. This provides a huge benefit to the schools who do not have to start teaching these basic disciplines. These children learn great life skills that they can carry on in their future lives that will benefit society as they are well balanced, caring children. The individual achievements of each child are obviously confidential to each child and parent. The local schools recognise the benefit of receiving children who have been educated by Maria Grey Nursery. Special needs children get one to one teaching time as do children who do not have English as their first language.

Performance of fundraising

The ground floor project was undertaken at significant expense to ensure the facilities offered by Maria Grey are kept up to modern standards equivalent or ahead of other nurseries in the area in providing a light and bright environment for the children to learn in.

THE MARIA GREY NURSERY SCHOOL

DIRECTORS' REPORT continued

FINANCIAL REVIEW INCLUDING RESERVES POLICY

The nursery's finances are in a stable state however, a significant amount of monies have been spent on the ground floor project. There have been significant increases in costs and reduction in revenues from external factors affecting the nursery – the increase in rent and other council costs and the reduction in numbers in the autumn term due to the loss of the wrap around care have affected the ability of the nursery to make a surplus to put towards project expenditure. There are no longer grants for capital expenditure, one to one teaching for children with specialist needs, training grants for teachers. The nursery has been almost full for the whole year although the autumn term continues to suffer from the loss of wrap around care children who used to continue at the nursery after entering reception.

The fundraising was spent on new balancing equipment. The unrestricted reserves are at an acceptable level as we now have a new lease for 10 years and therefore the potential threat of redundancy for all staff has been reduced significantly.

RESERVES POLICY

A policy has been established whereby the unrestricted funds not designated or invested in fixed assets held by the charity, as a minimum, should be able to cover the following:

- unexpected long term illness of up to 2 staff
- uninsured amounts if any loss of use of the building were to happen
- working capital requirements of running the nursery
- to allow for any other unexpected costs
- the ability to cover unexpected loss of revenue from children moving away and not being able to be replaced at short notice
- to cover the continued investment in the fabric and equipment of the nursery.

The unrestricted reserves not tied up in fixed assets total at the end of August 2016 is £67.4k but further expenditure will be required to finish the ground floor project in the 2016/17 financial year. This is anticipated to be a further £20.7k. This will be transferred from the unrestricted reserves in the next financial year. Further plans for replacing fencing and kitchen units in the staff room will tie up reserves to the extent of another £10.5k. This leaves a balance of unrestricted reserves not tied up in fixed assets of £36.2k. Our aim is to achieve an unrestricted reserves figure not tied up in fixed assets of around £50k.

The restricted reserves relates to the ground floor project and the cycle rack grant. These will be likely to be spent in 2016/17 and 2017/18 respectively and then the funds will be depreciated over the next 5 years to leave a balance of zero. The designated reserves relate to capital expenditure on the awning and playground equipment as funds were raised specifically for these items. These will be depreciated to zero over time.

THE MARIA GREY NURSERY SCHOOL

DIRECTORS' REPORT continued

RESULTS

The nursery's gross income before expenditure of £368.1k was up on last year by £28.7k mostly relating to the rent grant (relating to prior year) of £30.4k offset by the decrease in fund raising of £2.4k from the bumper year in 14/15. The two free places and hardship fund were utilised to the value of £5.6k

Resources expended increased to £338.9k up on last year by £11.0k. This mainly relates to the increase in salary costs of £9.5k which includes small salary increases and the lower savings from management covering for maternity leave which were higher in 14/15, higher rent costs of the new lease £5.5k, legal costs incurred on lease negotiations £3.1k offset by a decrease in depreciation as the first floor project was fully depreciated in 14/15 and depreciation will not be charged on the ground floor project until complete in 16/17.

The surplus of income over expenditure for the year was £29.2k up by £17.7k from the surplus last year.

Included in the above, the fundraising events produced £5.0k with the Christmas social event bringing in £3.6k, the May Fair £0.8k with other smaller events bringing in the remainder. A total of £22k was transferred from general reserves to the ground floor project with a total spend of £71.2k to date on the project. Further costs of £20.7k are anticipated in the next financial year bringing the total cost to £91.9k.

Having renewed the lease up until October 2025 and having the planned completion of the work to improve the facilities, the intention is to continue operating the nursery without any further major capital expenditure for the foreseeable future. Fundraising will be done to buy a new computer for the children's use in the next year and any excess helping to increase the reserves to the approved level.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year were as follows:

M Cogan (appointed 2.10.15)

D Lawler (appointed 2.10.14)
(resigned 2.10.15)

The directors have prepared this report in accordance with the small companies' exemption

Approved by the board on 18th May 2017
and signed on its behalf by

A handwritten signature in black ink, appearing to read 'Michele Cogan', followed by a dotted line for a signature line.

Michele Cogan
Director

THE MARIA GREY NURSERY SCHOOL
STATEMENT OF FINANCIAL ACTIVITIES incorporating the income and expenditure
account

For the year ended 31st August 2016

	Notes	2016 Unrestricted Funds £	2016 Restricted Funds £	2016 Total Funds £	2015 Total Funds £
Voluntary income		124	0	124	45
Activities for generating funds		6,903	0	6,903	9,319
Nursery activities		360,891	0	360,891	329,877
Interest receivable		136		136	116
Total incoming Resources	3	368,054	0	368,054	339,357
Costs of generating funds		1,862		1,862	701
Nursery costs		335,026		335,026	325,702
Governance costs		2,000		2,000	1,500
Total Resources Expended	6	338,888	0	338,888	327,903
Net Income and (Expenditure) Total before Transfers		29,166	0	29,166	11,454
Gross transfers between funds		-22,163	22,163	0	0
Net Incoming/ (Outgoing) resources		7,003	22,163	29,166	11,454
Total Funds brought forward		71,941	52,857	124,798	113,344
Total Funds carried forward		78,944	75,020	153,964	124,798

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

THE MARIA GREY NURSERY SCHOOL
BALANCE SHEET as at 31st August 2016

		2016 Total Funds	2015 Total Funds
FIXED ASSETS			
Tangible assets	11	79,576	7,497
CURRENT ASSETS			
Debtors	12	13,020	23,875
Cash at bank and in hand	15	167,236	229,502
TOTAL CURRENT ASSETS		180,256	253,377
CREDITORS: Amounts falling due within one year	13	104,368	131,576
NET CURRENT ASSETS/(LIABILITIES)		75,888	121,801
TOTAL ASSETS LESS CURRENT LIABILITIES		155,464	129,298
CREDITORS: Amounts falling due after more than one year	13	1,500	4,500
TOTAL NET ASSETS OR LIABILITIES	20	153,964	124,798
FUNDS OF THE CHARITY:-			
UNRESTRICTED		71,085	66,304
DESIGNATED		7,859	5,637
RESTRICTED		75,020	52,857
TOTAL FUNDS	18	153,964	124,798


For the year ended 31st August 2016 the company was entitled to exemption from the requirement to have an audit under the provisions of section 475 and 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibility for complying with the requirements of the Companies Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to small companies subject to the small companies regime and in accordance with the Charities SORP FRS 102 Section 1A – small entities. The notes on pages 12-25 form part of these accounts.

Approved by the Board of Directors on 18th May 2017 and signed on its behalf by:

Michele Cogan..........Director

THE MARIA GREY NURSERY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016

Note 1 BASIS OF PREPARATION

1.1 Basis of accounting

The financial statements have been prepared under the historic cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to the accounts. The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) section 1A for small companies, the Companies Act 2006 and the Statement of Recommended Practice to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) effective January 2015 and the Charities Act 2011. The date of the transition to FRS102 was 1st September 2015 and in preparing the financial statements, the directors (charity trustees) have considered whether the accounting policies required by the standard require the restatement of comparative information.

The charity constitutes a public benefit entity as defined by FRS102.

1.2 Going Concern

The directors have assessed that there are no material uncertainties about the charities ability to continue and there is a reasonable expectation that the charity has adequate resources to continue in operation for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

1.3 Change to accounting Policy

The accounts present a true and fair view and no changes have been made to accounting policies adopted.

1.4 Change to accounting estimates

Critical accounting judgements and key sources of estimation uncertainty

In the application of the accounting policies, the Directors (charity trustees) are required to make judgements, estimates, and assumptions about the carrying value of the assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

1.5 Material prior year errors

No material prior year errors have been identified in the reporting period.

THE MARIA GREY NURSERY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016

Note 2 PRINCIPAL ACCOUNTING POLICIES

2.1 Reconciliation with previous accounting practice

Transition to Charities SORP (FRS102)

The policies applied under the previous accounting framework are not materially different to the Charities SORP (FRS102) and no restatements were required in the transition to FRS102.

2.2 Incoming Resources

Recognition of incoming resources are included in the SOFA when the nursery becomes entitled to the resources, the directors are virtually certain they will receive the resources and the monetary value can be measured with sufficient reliability. Nursery Fees are recognised in the year that the children attend the nursery and the corresponding government grant is recognised in line with this.

There has been no **offsetting** of assets and liabilities or income and expenses, unless required or permitted by the FRS102 SORP.

Grants and Donations are only included in the SOFA when the general income criteria are met.

In the case of **performance related grants**, income is only recognised to the extent that the charity has provided the specified goods or services as entitlement to the grant only occurs when the performance related conditions are met. Grants relating to fees are recognised in the year that the children attend the nursery.

The charity has received **government grants** in the period.

Contractual income and performance related grants are only included in the SOFA once the nursery has provided the service or met the performance related conditions.

Donated Goods Gifts in kind are accounted for at a fair value unless impractical to do so. Gifts in kind for sale or distribution are included in the accounts as gifts only when sold or distributed by the nursery. Gifts in kind for use by the nursery are included in the SOFA as incoming resources when receivable.

Donated services and facilities are only included with an equivalent amount in resources expended where the benefit to the nursery is reasonably quantifiable measurable and material. If these are consumed immediately they are recognised as income with an equivalent amount recognised as an expense under an appropriate heading in the SOFA.

The value of any **volunteer help** received is not included in the accounts but is described in the Directors' (Charity Trustees') Report

THE MARIA GREY NURSERY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016

Income from interest, royalties and dividends is included in the accounts when receipt is probable and the amount can be measured reliably.

Settlement of insurance claims, if and when they occur, are only included when the general income recognition criteria are met and are included as an item of other income in the SOFA.

2.3 Expenditure and Liabilities

Liabilities are recognised as soon as there is more likely than not a legal or constructive obligation committing the nursery to pay out resources and the amount of the obligation can be measured with reasonable certainty.

Support costs have been allocated between governance and other support. **Governance costs** comprise all costs involving public accountability of the charity and its compliance with regulation and good practice.

The nursery made no **redundancy payments** in the year.

Fees are invoiced for the Autumn term prior to the year end, this **income** is **deferred** until the next financial year where the service is provided. The Autumn term fees for the current year are brought forward from the prior year.

The Nursery has **creditors** which are measured at settlement amounts less any trade discounts.

Provision for liabilities. A liability is measured on recognition of its historical cost and then subsequently measured at the best estimate of the amount required to settle the obligation at the reporting date.

2.4 Assets

Tangible fixed assets for use by the nursery are capitalised if they can be used for more than one year and cost at least £1000. They are valued at cost or if gifted at the value to the nursery on receipt. The depreciation notes are disclosed in note 11.

Debtors (including trade debtors) are measured on initial recognition at settlement amount after any discounts. Subsequently they are measured at the cash value or other consideration expected to be received.

Current Asset Investments The charity may hold from time to time investments of cash and cash equivalents with a maturity date less than one year. These include cash on deposit and cash equivalents with a maturity date less than one year held for investment purposes rather than to meet short-term cash commitments as they fall due.

They are valued at fair value except where they qualify as basic financial instruments.

THE MARIA GREY NURSERY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016

2.5 Fund Accounting

Unrestricted funds are funds which are available at the discretion of the directors in furtherance of the general objectives of the nursery and which have not been designated for other purposes. Designated funds are funds set aside by the directors out of unrestricted funds for specific future purposes or projects. Any amounts not utilised are carried forward where the specific purpose or project remains part of the nursery's objectives.

Restricted Funds are funds which are restricted by the donor or grant maker for a certain purpose e.g. grants for purchase of fixed assets. If the grant has only partly funded a fixed asset the balance of the funding of the fixed asset has been transferred from the unreserved funds to the reserved funds. The asset will be accounted for in the fund and the asset value will be reduced as the asset is depreciated.

Note 3 ANALYSIS OF INCOMING RESOURCES

Voluntary Income:-	2016 £	2015 £
Donations	124	
Social Deprivation Grant		45
Total Voluntary Income	<u>124</u>	<u>45</u>

Activities for Generating Funds:-

Fund Raising Activities	<u>6,903</u>	<u>9,319</u>
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Nursery Activities	2016 £	2015 £
School Fees	243,635	236,662
Grants received as partial funding for the fees	82,771	85,735
Registrations and Deposits Retained	2,905	2,900
Grants received for Rent	30,417	
Other Grants	1,087	3,871
Other reimbursements for Nursey Activities	76	709
Total Nursery Activities	<u>360,891</u>	<u>329,877</u>

Investment Income	2016 £	2015 £
Interest Receivable	136	116

THE MARIA GREY NURSERY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016

All income in the current year was unrestricted. All the income in the prior year was unrestricted except for the fund raising amount of £9,319 which was added to the ground floor project fund and the grant for a cycle rack of £3,871.

Within the income items above there is a prior year item of £30.4 k relating to government grant which has only now been recognised as the income criteria have been met.

Note 4 ANALYSIS OF GOVERNMENT GRANTS

	2016	2015
	£	£
Government Grant contribution to school fees	82,771	85,735
Grant for Rent	30,417	
Grant for Student Placement	800	
Grant for Cycle Rack		3,871
Grant for Early Years Pupil Premium	286	
Social Deprivation Grant		46
Total Grants	<u>114,274</u>	<u>89,652</u>

Government Grant contribution to school fees is applicable to children who are 3 and 4 years old and provide a subsidy to the parents but is paid directly to the nursery reducing the parents contribution to the fees. Grant for Rent (prior year adjustment) which has only now been able to be recognised as the income criteria have been met.

Note 5 DONATED GOODS, FACILITIES and SERVICES

Income from donated goods/services are included in the fund raising auction each year at the value raised in the auction. No stock of donated goods are held at the year end. Donated services from volunteers not included in the accounts are described in the Directors (Charity Trustees) Report.

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016****Note 6 ANALYSIS OF RESOURCES EXPENDED**

Activities for Generating Funds:-	2016	2015
	£	£
Fund Raising Expenses	1,862	701
	<hr/>	<hr/>
Nursery Activities	2016	2015
	£	£
Salaries, Wages, NI, pensions and Temp Costs	265,730	256,221
Rent	23,752	18,250
Hardship/bad debt fund	1,653	10
Maintenance and sinking fund contributions	986	2,714
Insurance	1,535	1,512
Depreciation	5,605	13,813
Electricity, telephone & broadband	3,733	4,928
Cleaning	9,664	8,040
Piano	3,631	3,498
Classroom supplies and small equipment	7,678	9,915
Office Supplies	994	1,776
Accounting (re budgeting/cash forecast) and Legal	4,122	1,000
Advertising	364	344
Staff Training & study grant payments	1,598	366
Miscellaneous Nursery expenses	3,981	3,315
	<hr/>	<hr/>
Total Nursey Activities	335,026	325,702
	<hr/>	<hr/>
Governance Costs	2016	2015
	£	£
Accounting	2,000	1,500
	<hr/>	<hr/>
Total Governance Costs	2,000	1,500
	<hr/>	<hr/>

All the resources expended are unrestricted in the current year. In the prior year the costs of fund raising of £701 and depreciation of the first floor project of £9,135 were restricted.

THE MARIA GREY NURSERY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016

Note 7 SUPPORT COSTS

Analysis of expenditure is not meaningful as the nursery activities are limited to one activity teaching the children.

Support costs are included in the activities of the Nursery and all the governance costs are support costs. There are no support costs included in fundraising as the fundraising activities are run by the parents. Support costs in total were £45.7k for 2016 and £42.3k for 2015. The majority of support costs relate to the costs of the office and the two administrators who look after bookkeeping, payroll, invoicing, control of places for the nursery and supporting the nursery and its staff and the administration of any refurbishment projects.

Note 8 FEES FOR EXAMINATION OF THE ACCOUNTS

	2016	2015
	£	£
Independent Examiner's fees for reporting on the accounts	500	500
Other fees paid to the independent examiner for assistance with preparing statutory accounts and budgets	2500	2000

Note 9 PAID EMPLOYEES

The average number of part-time employees of the company during the year and their aggregate emoluments were as follows:

	Number	Wages & Salaries	Social Security Costs	Pension Costs	Total
		£	£	£	£
Year ended 31st August 2016	12	238,418	20,436	6,876	265,730
Year ended 31st August 2015	12	229,375	20,092	6,754	256,221

All employees work within the charitable activity.

The average number of equivalent full time employees is 8 for 2016 and 8 for 2015.

There are no employees with remuneration over £60,000.

The amount paid to key management personnel for their services to the charity was £74.7k in 2016 (£71.9k in 2015)

THE MARIA GREY NURSERY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016

Note 10 DEFINED CONTRIBUTION PENSION SCHEME

The amount of defined contributions recognised in the SOFA as an expense is £6,876 for the 2015/16 financial year and £6,754 for the 2014/15 financial year. Pension contributions of 4% of salary are offered to all staff by way of a defined pension scheme. Some employees have chosen not to take up the pension and some have opted to contribute less than 4%. The contribution from the nursery matches that of the employees.

All staff costs are incurred in the unreserved fund.

Note 11 TANGIBLE FIXED ASSETS

	Fixtures Fittings & Equipment	Office Buildings	Assets under construction	Total Fixed Assets
	£	£	£	£
At 1st September 2015	116,169	18,598		134,767
Additions	6,535		71,149	77,684
Transfers				0
At 31st August 2016	<u>122,704</u>	<u>18,598</u>	<u>71,149</u>	<u>212,451</u>
DEPRECIATION				
At 1st September 2015	110,532	16,738	0	127,270
Charge for year	3,745	1,860	0	5,605
At 31st August 2016	<u>114,277</u>	<u>18,598</u>	<u>0</u>	<u>132,875</u>
NET BOOK VALUE				
At 31st August 2016	8,427	0	71,149	79,576
At 31st August 2015	5,637	1,860	0	7,497

Depreciation

Depreciation is calculated to write off the cost of fixed assets on a straight line basis at the following rates.

Office/Nursery Buildings	10%
Fixtures, fittings and equipment	20%

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016**

Computers are being written off in one year as technology is changing rapidly and the costs are less than £1000. The refurbishment of the ground floor has been included in assets under construction. This work was started in the summer of 2016 and will be completed during the financial year 2016/17. This will be depreciated over 5 years in line with the previous refurbishment of the first floor. There were no material contractual commitments for further acquisition of fixed assets after the year end.

Note 12 DEBTORS AND PREPAYMENTS

Amounts Falling Due within one year

	2016	2015
	£	£
Trade debtors	11,764	7,416
Prepayments & Accrued income	1,256	16,459
	<u>13,020</u>	<u>23,875</u>

There were no debtors falling due after one year

Note 13 CREDITORS AND ACCRUALS**13.1 AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2016	2015
	£	£
Deposits held for Parents	14,800	13,250
Accruals	11,826	47,648
Deferred income	71,065	64,687
Taxation and social security	6,207	5,991
Other creditors	470	
	<u>104,368</u>	<u>131,576</u>

Accruals relate to the staff bonus for previous academic year paid in November £7.5k, accounting fees payable once work on year end complete £3.0k plus other minor adjustments on costs anticipated which relate to 15/16 year.

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016****13.2 AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2016	2015
	£	£
Provisions	1,500	4,500
Total	1,500	4,500

The provision is a sinking fund for repairs to the premises.

13.3 DEFERRED INCOME

Deferred income relates to the fees invoiced in the summer for the autumn term of the next financial year.

	2016	2015
	£	£
Movement in Deferred Income		
Balance at the start of the year	64,687	65,327
Amounts added in the year	71,065	64,687
Amounts released to income in the year	64,687	65,327
Balance at the end of the year	71,065	64,687

Note 14 PROVISIONS FOR LIABILITIES AND CHARGES

Within the charitable expenditure there is an amount included for a sinking fund for property repairs. It is unknown when these amounts will be used.

Movements in recognised provisions and funding commitment during the period

	2016	2015
	£	£
Balance at the start	4,500	3,000
Amounts added in the year		1,500
Amounts charged against the provision in the year	3,000	
Unused amounts reversed during the year		
Balance at the end	1,500	4,500

The fundraising for the current financial year was designated for balancing equipment which has only been partly spent, an amount of £3,138 remains to be spent in the 16/17 financial year.

THE MARIA GREY NURSERY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016

Note 15 CASH AT BANK AND IN HAND

	2016 £	2015 £
Cash at bank	151,936	215,752
Cash in bank (parent's deposits)	14,800	13,250
Petty Cash	500	500
Total	<u>167,236</u>	<u>229,502</u>

The nursery holds a deposit for each child's place in the nursery and these are returned at the end of the child's education at the nursery. If a child leaves without giving the requested notice period the deposit is retained. The deposits are held in a separate bank account and there is a corresponding liability shown on the balance sheet for the same amount. Cash in bank (parent's deposits) refers to these deposits.

The cash balances at the end of the financial year include cash received for the fees for the autumn term of the next financial year.

Note 16 FAIR VALUE OF ASSETS AND LIABILITIES

The nursery's exposure to credit risk is limited by tight credit control and only in exceptional circumstances can a child start the term without the fees being paid.

The nursery's liquidity risk is low as fees are paid in advance of the start of each term with the costs of providing the service of which a high percentage is salaries of the staff are spread over the term. Also the reserves policy allows an amount for working capital requirements of running the nursery and for exceptional costs as an additional buffer.

Note 17 EVENTS AFTER THE END OF THE REPORTING PERIOD

There have been no events after the end of the reporting period which have not been adjusted in the accounts but would have a financial significance.

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016****Note 18 CHARITY FUNDS****18.1 Details of Material Funds held and movements during the Current Year**

	As at 31/08/2015	Incoming Resources	Outgoing Resources	Transfers	As at 31/08/2016
Reserved Funds:-					
First Floor refurbish	0				0
Cycle Rack	3,871				3,871
Ground Floor Project	48,986			22,163	71,149
Total Reserved Funds	52,857			22,163	75,020
Unrestricted Funds:					
Designated Funds	5,637	6,903	4,681		7,859
General Funds	66,304	361,151	334,207	-22,163	71,085
Total Funds	124,798	368,054	338,888	0	153,964

Transfers between funds relates to additional funds of £22,163 being added to the restricted fund for the ground floor project. The original donation was restricted in use to the ground floor project and all additional funds required to finish the project have been transferred from unreserved funds. The designated funds represent the net value of assets bought or planned to be bought by fundraising monies designated for particular items –the awning net value £2,818 and playground equipment £5,041.

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016****Previous Year**

	As at 31/08/2014	Incoming Resources	Outgoing Resources	Transfers	As at 31/08/2015
Reserved Funds:-					
First Floor refurbish	9,136		9,136		0
Cycle Stand		3,871			3,871
Ground Floor Project	40,368	9,319	701		48,986
Total Reserved Funds	49,504	13,190	9,837		52,857
Unrestricted Funds:					
Designated Funds	8,490		2,819	-34	5,637
General Funds	55,350	326,167	315,247	34	66,304
Total Funds	113,344	339,357	327,903	0	124,798

Transfer between funds relates to a small correction on installation costs of awning. The designated funds relate to the net value of the awning £5,637.

Note 19 TRANSACTIONS WITH RELATED PARTIES**a. Remuneration and benefits**

The directors are not remunerated for their contribution and have not claimed any expenses for meetings.

b. Other transactions with directors or related parties

The director(s) are parents with children who are at the nursery or have been at the nursery in the past and therefore pay fees to the nursery for the service their children receive at the normal fee level charged.

Note 20 ANALYSIS of NET ASSETS BETWEEN FUNDS

Restricted Funds are for the ground floor project and the grant given for the cycle rack. The ground floor project was initially given a charitable donation especially earmarked by the donor for this purpose so all future funds raised were transferred to the restricted fund. The fund raising specifically for the awning and playground equipment makes up the designated fund. These funds will be depreciated over five years.

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2016****BALANCE SHEET COLUMNAR SHOWING SPLIT OF ASSETS AT 31.8.16**

	Restricted	Designated	Unrestricted	Total
Fixed Assets	124,479	15,996	71,976	212,451
Depreciation	53,330	11,275	68,270	132,875
Net Fixed Assets	<u>71,149</u>	<u>4,721</u>	<u>3,706</u>	<u>79,576</u>
Debtors			13,020	13,020
Cash in bank	3,871	3,138	160,227	167,236
Less Creditors			104,368	104,368
Net Current Assets	<u>3,871</u>	<u>3,138</u>	<u>68,879</u>	<u>75,888</u>
Creditors over one year			1,500	1,500
Reserves	<u>75,020</u>	<u>7,859</u>	<u>71,085</u>	<u>153,964</u>

Note 21 PREMISES

The school premises in Friars Stile Road are owned by Richmond Council. The school has a new lease from Richmond Council which is a 10 year lease from 6th October 2015. The rent is currently £26,250 for the first five years and will be reviewed in October 2020. The nursery has made provision for repairs in the accounts for an annual sum of £1,500.

Independent Examiner's Report to the Directors of the Maria Grey Nursery School

I report on the accounts of the company for the year ended 31st August 2016 which are set out on pages 1 to 25.

Respective responsibilities of directors and examiner

The directors(charity's trustees) are responsible for the preparation of the accounts; the directors consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Charities Act) and that an independent examination is needed. The charity's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of CIMA.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

Examine the accounts under section 145 of the Charities Act

To follow the procedures laid down by the general Directions given by the Charities Commission under section 145(5)b of the Charities Act; and

To state whether particular matters have come to my attention

Basis of independent examiner's report

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as directors concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts presents a "true and fair view" and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention to indicate that:

- accounting records have not been kept in accordance with section 386 of the Companies Act 2006:
- the accounts do not accord with such records
- where accounts are prepared on an accruals basis, whether they fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS102) Section 1A
- any matter which the examiner believes should be drawn to the attention of the reader to gain a proper understanding of the accounts

Alison Williamson BA, FCMA, CGMA
38 Roehampton Gate, London, SW15 5JS

 18th May 2017