

THE MARIA GREY NURSERY SCHOOL

FINANCIAL STATEMENTS

For the year ended

31st August 2019

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



THE MARIA GREY NURSERY SCHOOL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2018

DIRECTORS	M. Cogan (appointed 2.10.15) M. Fulton (appointed 30.6.18) M. Lenton (appointed 30.6.18) J. Samuel (appointed 30.6.18) M. Young (appointed 14.10.19)
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, MiP 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 2019

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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 2019.

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, formed in April 1991. Previously the nursery was in existence but was not in its current legal structure. The principal activity is running a nursery school. It has no share capital.

The nursery is governed by a small Board of between three and five Directors/Trustees, appointed for three-year renewable terms. The current Directors/Trustees are current or ex-parents of the school or from people in the community with close links to the nursery, who were deemed to have the skills necessary to take on the responsibilities. The Articles of Association have been recently updated to reflect the current way that the nursery is governed.

The Head Teacher and the School Administrator are the key management personnel. The directors meet with the key management personnel on a regular basis during the year and make decisions on changes to policy, approve budgets and accounts and commit to large spends. The directors undergo training from time to time to assist them in carrying out their responsibilities. Some fundraising activities are delegated to a team of parent helpers under guidance of 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 reviewed and approved by the directors on an annual basis. Published external 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 Directors have made careful consideration of 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 learning experiences. Every day there is 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 the highest priority.

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 current pupils, then children with special educational/social or medical needs and then priority is given to children taking up longer sessions but within each category, children of siblings that have previously attended the nursery have priority. There is an equal opportunities policy in force with regard to gender, race and ethnicity, religion, social and cultural background, special needs and disability. 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 were to 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 2018-19 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 in the nursery is in accordance with 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 and 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, threading, peg work and other manipulative skills.

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 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 for example 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, number recognition, ordering, adding and taking away; learning about shapes and their properties; weighing and measuring; using positional or directional language.

Understanding the World encompasses science, construction and exploration of materials, as well as history, geography and cultural studies. The children have the opportunity to participate in growing plants, caring for chickens, guinea pigs, a tortoise and caterpillars. The children are encouraged to get involved in gardening activities which teach them how to grow vegetables and to understand what plants need to grow. They particularly enjoy harvesting and tasting the end product. The children also have exploratory experience with sand and water. There is a 'Bee-Bot' (programmable robot) and a computer provided for the children to use. The children are also provided with a variety of materials to explore construction techniques. Exciting science topics are included for the children to explore, such as space, magnets and light bulb circuits. Parents come in to run activities for the children about their cultural traditions.

The Expressive Arts and Design area of the curriculum includes art in two- and three- dimensions, music, dance, singing and use of instruments, movement and drama, imaginary 'small world' and role play.

The nursery provides group time on a daily basis which covers activities like Music and Movement, French, Science/Eco topics, Singing and Instruments 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.

The nursery continued working towards Eco Schools Green Flag Status. Two road safety training sessions were organised for the children, one about walking and one about scooters. This provides the children with very important information for their safety. A Travel Survey of children's modes of transport to and from school was undertaken and an annual Travel Plan was produced.

Charitable events run during the year included Children in Need and raising money for Shooting Star Chase children's hospice on World Book Day.

THE MARIA GREY NURSERY SCHOOL

DIRECTORS' REPORT continued

The nursery benefits greatly from the enthusiastic, well-qualified and long-serving staff team. All the staff undertook a refresher course in Paediatric First Aid, which is renewed every three years, and a course on Lego Therapy. Staff members took various short courses on different aspects of the curriculum and on children's special needs. The nursery continues to host university and school students to give them practical experience for their training. The nursery provides an ideal setting for the students to gain experience in a child-centred environment, and it also helps to maintain an extremely favourable adult-child ratio within the nursery.

There was a team event for the staff at Syon Park, funded by the parents' summer and Christmas collections for staff.

The Nursery has always benefited greatly from parental involvement, with a wide selection of nationalities represented amongst the families. Parents came in to run sessions on the German Lantern Festival, Thanksgiving, cookery, music and yoga. They came in to tell stories in various languages as well as English. 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 Christmas auction, which raised money to go towards a new equipment shed. Parents also ran a stall at the Richmond May Fair.

There were no new building projects during the year, but carpets were replaced downstairs. 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 fifteen 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, an electrical upgrade, a new storage garage, the addition of the first floor rooms, the playground awning and the ground floor cloakroom project, the upstairs kitchen, the renewal of the perimeter fencing and a bicycle, scooter and buggy shelter. All this has been facilitated by the generosity of previous parents in organising wonderful fundraising activities.

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 follow 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 School. Special needs children get more one-to-one teaching time, as do children who do not have English as their first language. The children and parents form lasting friendships which continue to their next school and beyond.

THE MARIA GREY NURSERY SCHOOL DIRECTORS' REPORT continued

FINANCIAL REVIEW INCLUDING RESERVES POLICY

The nursery's finances are in a stable situation with the key figure of unrestricted funds not invested in fixed assets (referred to as the "Reserves") amounting to £36.6k. This is a decrease of £8.9k from the £45.4k in the previous financial year. The financial results for the year have been affected by the lower numbers of children in the autumn term than expected, and lower numbers of children in the afternoons of the spring and summer terms than expected. Reserves have been depleted but plans have been put into place to boost the reserves back to target levels again in the 2019/20 financial year. The fundraising in the current year of £3.7k, of which £1.2k was spent on installation of playground equipment and the balance of £2.4k has been designated for an outside storage project.

RESERVES POLICY

A policy has been established whereby the Reserves 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 Directors aim to achieve a Reserves figure of between £40-60k.

Post Balance Sheet Event: No adjustment to these accounts has been made as a result of the temporary closure of the nursery in accordance with the 2020 Covid 19 government guidelines that is ongoing at the time that this report was finalised by the Directors. For the purposes of these accounts, it is simply relevant to note that sufficient Reserves have been retained in order to allow for any unexpected costs. The Covid 19 post balance sheet event will be reported on in detail in the 31 August 2020 Directors Report.

RESULTS

The nursery's gross income before expenditure of £386.6k was up on last year by £3.1k. The fees were only marginally higher despite the fees having been increased, reflecting the lower numbers of children than expected. Deposits retained were £4.5k up relating to families' withdrawing from their places at the nursery without giving adequate notice, leaving the nursery trying to fill spaces when most parents on the waiting list have committed to a place elsewhere. This impacted the Spring term and with late withdrawals in the summer had a roll on effect on the Autumn 2019/20. The sustainability grant improved by £0.8 whilst fundraising income decreased by £3.0k on last year.

The two free places were given to the value of £8.2k and in addition £3.6k was given from the hardship fund this year.

THE MARIA GREY NURSERY SCHOOL

DIRECTORS' REPORT continued

Resources expended increased to £417.8k up on last year by £22.8k. The large variances are the increase in salary costs of £18.6k, increase in advertising including the website of £1.8k, increase in maintenance carried out during the year £1.6k offset partially by the lower electricity £2.2k and telephone costs £0.6k. The salary increases relate to the general increase paid to all staff, plus one extra nursery assistant being added to supplement the existing team.

Electricity costs were lower due to the prolonged cold weather in the spring in the previous year plus an exercise has now been done to reconcile usage with the accounts. Telephone costs were down due to lower additional costs for replacing the hub and callout charges in the previous year. The governance costs are higher by £1.0k this year as there is an increase in costs for tax compliance, an increase for last year and this year included for general accounting services.

Whilst the total fund on the income and expenditure statement shows a deficit of £31.3k, this is affected by the significant annual depreciation charge in the restricted fund for the large project to update the ground floor in the summer/autumn of 2017. The unrestricted fund shows the financial performance of the nursery excluding this which is a loss of £13.6k which is a decline of £19.8k year on year.

Included in the above, the fundraising events produced £3.7k with the Christmas social event bringing in £2.8k and the May Fair £0.1k with other smaller events bringing in the remainder.

The Directors intend that fundraising will be done to raise money for any projects that may be required to improve the nursery facilities further.

In 2019/20 fund raising will be put towards more upstairs toilets for the increased lunch numbers and possibly adding to the fund for an external storage shed.

DIRECTORS AND THEIR INTERESTS

The directors who served during the year were as follows:

M Cogan (appointed 2.10.15)
M. Fulton (appointed 30.6.18)
M. Lenton (appointed 30.6.18)
J. Samuel (appointed 30.6.18)

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

Approved by the board on ^{27 April} 2020
and signed on its behalf by [^]



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Mandy Lenton
Director

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

For the year ended 31st August 2019

	Notes	2019 Unrestricted Funds £	2019 Restricted Funds £	2019 Total Funds £	2018 Total Funds £
Voluntary income		1,229	0	1,229	392
Activities for generating funds		5,215	0	5,215	8,173
Nursery activities		379,830	0	379,830	374,900
Interest receivable		283		283	80
Total incoming Resources	3	386,557	0	386,557	383,545
Costs of generating funds		1,558		1,558	1,925
Nursery costs		396,306	17,669	413,975	391,630
Governance costs		2,300		2,300	1,500
Total Resources Expended	6	400,164	17,669	417,833	395,055
Net Income and (Expenditure) Total before Transfers		(13,607)	(17,669)	(31,276)	(11,510)
Gross transfers between funds				0	0
Net Incoming/ (Outgoing) resources		(13,607)	(17,669)	(31,276)	(11,510)
Total Funds brought forward		71,447	54,122	125,569	137,079
Total Funds carried forward		57,840	36,453	94,293	125,569

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 2019

		2019 Total Funds	2018 Total Funds
FIXED ASSETS			
Tangible assets	11	55,215	80,207
CURRENT ASSETS			
Debtors	12	28,000	20,509
Cash at bank and in hand	15	180,782	169,444
TOTAL CURRENT ASSETS		208,782	189,953
CREDITORS: Amounts falling due within one year	13	166,704	141,591
NET CURRENT ASSETS/(LIABILITIES)		42,078	48,362
TOTAL ASSETS LESS CURRENT LIABILITIES		97,293	128,569
CREDITORS: Amounts falling due after more than one year	13	3,000	3,000
TOTAL NET ASSETS OR LIABILITIES	20	94,293	125,569
FUNDS OF THE CHARITY:-			
UNRESTRICTED		49,272	64,456
DESIGNATED		8,568	6,991
RESTRICTED		36,453	54,122
TOTAL FUNDS	18	94,293	125,569

For the year ended 31st August 2019 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 27 April 2020 and signed on its behalf by:

Mandy Lenton / M Lenton Director

THE MARIA GREY NURSERY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2019

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 2019

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 2019

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 when 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 2019****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:-	2019	2018
	£	£
Donations	63	3
Social Deprivation Grant	1,166	389
Total Voluntary Income	1,229	392

Activities for Generating Funds:-

Fund Raising Activities	5,215	8,173
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Nursery Activities	2019	2018
	£	£
School Fees	247,754	261,173
Grants received as partial funding for the fees	124,780	110,967
Registrations and Deposits Retained	6,830	2,045
Grants received for Rent		
Other Grants	450	870
Other reimbursements for Nursey Activities	16	(155)
Total Nursery Activities	379,830	374,900

Investment Income	2019	2018
	£	£
Interest Receivable	283	80

THE MARIA GREY NURSERY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2019

All income in the current year was unrestricted. All the income in the prior year was unrestricted.

Note 4 ANALYSIS OF GOVERNMENT GRANTS

	2019	2018
	£	£
Government Grant contribution to school fees	124,780	110,967
Grant for Rent		
Grant for Student Placement	450	870
Grant for Cycle Rack		
Grant for Early Years Pupil Premium		
Social Deprivation Grant	1,116	389
Total Grants	<u>126,346</u>	<u>112,226</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.

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 2019****Note 6 ANALYSIS OF RESOURCES EXPENDED**

Activities for Generating Funds:-	2019	2018
	£	£
Fund Raising Expenses	1,558	1,925

Nursery Activities	2019	2018
	£	£
Salaries, Wages, NI, pensions and Temp Costs	316,709	298,092
Rent	26,251	26,250
Hardship/bad debt fund		
Maintenance and sinking fund contributions	4,098	2,483
Insurance	1,755	1,708
Depreciation	26,242	25,992
Electricity, telephone & broadband	5,093	7,986
Cleaning	9,377	9,194
Piano	3,795	3,705
Classroom supplies and small equipment	8,208	7,787
Office Supplies	1,699	1,846
Accounting (re budgeting/cash forecast) and Legal	1,400	1,000
Advertising	1,839	
Staff Training & study grant payments	2,043	1,820
Miscellaneous Nursery expenses	5,466	3,767
Total Nursey Activities	413,975	391,630

Governance Costs	2019	2018
	£	£
Accounting	2,300	1,500
Legal		
Total Governance Costs	2,300	1,500

All the resources expended are unrestricted in the current year except the depreciation of £17,669 for the ground floor project and cycle stand. In the prior year the depreciation of the ground floor project and the cycle stand was the same at £17,669 which were the only costs that were restricted.

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2019****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 £51.6k (of which Governance costs £2.3k) for 2019 and £48.1k (of which Governance costs were £1.5k for 2018). 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

	2019	2018
	£	£
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 and tax compliance	3200	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 2019	13	281,459	24,533	10,717	316,709
Year ended 31st August 2018	13	264,269	23,641	10,182	298,092

All employees work within the charitable activity.

The average number of equivalent full time employees is 10 for 2019 and 9 for 2018.

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

The amount paid to key management personnel for their services to the charity was £91.1k in 2019 (£91.3k in 2018) including employer NI and pensions.

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2019****Note 10 DEFINED CONTRIBUTION PENSION SCHEME**

The amount of defined contributions recognised in the SOFA as an expense is £10,717 for the 2018/19 financial year and £10,182 for the 2017/18 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 a different amount to the 4%. The contribution from the nursery matches that of the employees up to the value of 4%. The scheme applies the 4% to overtime and bonus payments also.

All staff costs are incurred in the unreserved fund.

Note 11 TANGIBLE FIXED ASSETS

	Fixtures & Fittings	Classroom & Office Equipment	Office Buildings	Total Fixed Assets
	£	£	£	£
At 1st September 2018	214,954	12,870	18,598	246,422
Additions		1,250		1,250
Deletions				
Transfers				0
At 31st August 2019	214,954	14,120	18,598	247,672
DEPRECIATION				
At 1st September 2018	141,739	5,878	18,598	166,215
Charge for year	24,149	2,093	0	26,242
Deletions				
At 31st August 2019	165,888	7,971	18,598	192,457
NET BOOK VALUE				
At 31st August 2019	49,066	6,149	0	55,215
At 31st August 2018	73,215	6,992	0	80,207

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 2019**

Computers are being written off in one year as technology is changing rapidly and the costs are less than £1000. This work for the refurbishment of the ground floor was started in the summer of 2016 and was completed during this 2016/17 financial year. This is being 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

	2019	2018
	£	£
Trade debtors	17,615	18,959
Prepayments & Accrued income	10,385	1,550
	<hr/>	<hr/>
Total	28,000	20,509
	<hr/>	<hr/>

There were no debtors falling due after one year

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

	2019	2018
	£	£
Deposits held for Parents	32,300	23,500
Accruals	13,649	11,797
Deferred income	113,232	94,867
Taxation and social security	7,523	7,328
Other creditors		4,099
	<hr/>	<hr/>
Total	166,704	141,591
	<hr/>	<hr/>

Accruals relate to the staff bonus for previous academic year paid in November £9.0k, accounting fees payable once work on year end complete £3.2k, plus other minor adjustments on costs anticipated which relate to 18/19 year.

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2019****13.2 AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2019	2018
	£	£
Provisions	3,000	3,000
Total	3,000	3,000

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. This year also includes some of the government grant relating to the fees received for the autumn term just prior to the year end.

	2019	2018
	£	£
Movement in Deferred Income		
Balance at the start of the year	94,867	68,699
Amounts added in the year	113,232	94,867
Amounts released to income in the year	94,867	68,699
Balance at the end of the year	113,232	94,867

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

	2019	2018
	£	£
Balance at the start	3,000	3,000
Amounts added in the year		
Amounts charged against the provision in the year		
Unused amounts reversed during the year		
Balance at the end	3,000	3,000

THE MARIA GREY NURSERY SCHOOL
NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2019

Note 15 CASH AT BANK AND IN HAND

	2019 £	2018 £
Cash at bank	147,982	145,444
Cash in bank (parent's deposits)	32,300	23,500
Petty Cash	500	500
Total	<u>180,782</u>	<u>169,444</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 increase in parent deposits results from a change in policy to require greater deposits to be provided.

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 be of financial significance.

THE MARIA GREY NURSERY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2019

Note 18 CHARITY FUNDS

18.1 Details of Material Funds held and movements during the Current Year

	As at 31/08/2018	Incoming Resources	Outgoing Resources	Transfers	As at 31/08/2019
Reserved Funds:-					
First Floor refurbish	0				0
Cycle Rack	4,459		1,115		3,344
Ground Floor Project	49,663		16,554		33,109
Total Reserved Funds	54,122		17,669		36,453
Unrestricted Funds:					
Designated Funds	6,991	5,228	3,651		8,568
General Funds	64,456	381,329	396,513		49,272
Total Funds	125,569	386,557	417,833	0	94,293

The designated funds represent the net value of assets bought or planned to be bought with fundraising monies. The net value is currently £8,568, of which there is an amount of £2,420 from fund raising this financial year which has been earmarked for an outside storage solution.

Previous Year

	As at 31/08/2017	Incoming Resources	Outgoing Resources	Transfers	As at 31/08/2018
Reserved Funds:-					
First Floor refurbish					
Cycle Stand	3,871		1,114	1,702	4,459
Ground Floor Project	66,218		16,555		49,663
Total Reserved Funds	70,089		17,669	1,702	54,122
Unrestricted Funds:					
Designated Funds	1,522	8,176	3,768	1,061	6,991
General Funds	65,468	375,369	373,618	-2,763	64,456
Total Funds	137,079	383,545	395,055	0	125,569

THE MARIA GREY NURSERY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2019

Transfers between funds relates to additional funds of £1,702 being added to the restricted fund for the Cycle Rack. The original grant was restricted in use to the Cycle Rack and all additional funds required to finish the project have been transferred from unreserved funds. The other transfer between funds of £1,061 topped up the Playground Equipment fund to cover all the work in installing the equipment. The designated funds represent the net value of assets bought or planned to be bought by fundraising monies designated for particular items – in 2017/18 it was for the playground equipment. There is a net value of £6,991.

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 directors who are parents with children who are currently at the nursery pay fees to the nursery for the service their children receive at the normal fee level charged. One director is the ex headmistress who still works on a limited basis as a teacher in the nursery. Her payment for this is on an arm's length basis.

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, playground equipment and outside storage makes up the designated fund. The assets within these funds will be depreciated over five years.

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2019****BALANCE SHEET COLUMNAR SHOWING SPLIT OF ASSETS AT 31.8.19**

	Restricted	Designated	Unrestricted	Total
Fixed Assets	141,676	24,558	81,437	247,671
Depreciation	105,223	18,410	68,823	192,456
Net Fixed Assets	<u>36,453</u>	<u>6,148</u>	<u>12,614</u>	<u>55,215</u>
Debtors			28,000	28,000
Cash in bank		2,420	178,362	180,782
Less Creditors			166,704	166,704
Net Current Assets		<u>2,420</u>	<u>39,658</u>	<u>42,078</u>
Creditors over one year			3,000	3,000
Funds	<u>36,453</u>	<u>8,568</u>	<u>49,272</u>	<u>94,293</u>

Note 21 PREMISES

The school premises in Friars Stile Road are owned by Richmond Council. The school has a 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 2019 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

 23rd April 2020