

THE MARIA GREY NURSERY SCHOOL

FINANCIAL STATEMENTS

For the year ended

31st August 2017



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

THE MARIA GREY NURSERY SCHOOL

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST AUGUST 2017

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)

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 2017

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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 2017.

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. 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.

In June 2017 an Extraordinary General Meeting was held, at which members of the nursery had the opportunity to vote on new Articles of Association. These had been proposed as the nursery had grown and evolved significantly since 1991, and the original Articles of Association were no longer deemed appropriate for the larger organisation that the nursery had become. The new articles proposed a smaller Board of between three and five Directors/Trustees, appointed for three-year renewable terms, from 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 new Articles were adopted unanimously at the EGM.

The Board will act in the best interest of the nursery and will manage and carry out the charities responsibilities. The Board will support the nursery in complying with all laws and relevant regulations. They will review and implement, if necessary, financial control as well as manage the risks of the nursery.

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. The fundraising activities are delegated to a team of parents 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 signed off by the directors 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 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 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 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 children with special educational needs and then to siblings of children who have attended the nursery. 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 this year 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 2016-17 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.

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 Development 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 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 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, care of guinea pigs, a tortoise, a bearded dragon and caterpillars. 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. 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, 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.

The nursery benefits greatly from the enthusiastic, well qualified and long serving team. All the staff undertook an online course in 'Prevent Duty' (prevention of terrorism), and 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. The nursery provides an ideal setting for the students to gain experience in a child-centered environment, and it also helps to maintain an extremely favourable adult child ratio within the nursery. There was a staff team-building day, a sponsored walk in Richmond Park to raise money for the toilet-twinning charity. Other charitable events run during the year included Children in Need, the children creating a penny snake for the toilet-twinning charity and raising money for Shooting Star Chase children's hospice on World Book Day.

The Nursery has always benefitted greatly from parent volunteer involvement, with a wide selection of nationalities represented amongst the families. Parents came in to run activities on Jewish New Year, Hanukkah, Diwali, Thanksgiving and Chinese New Year. Parents came in to tell stories in various languages as well as English, and a parent who is a doctor came in to tell the children about her work.

THE MARIA GREY NURSERY SCHOOL

DIRECTORS' REPORT continued

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 new play equipment. Parents ran a Quiz Night and a stall at the Richmond May Fair, raising more funds towards the school's projects. In the summer there was a Garden Party to celebrate the nursery's 60th anniversary and the official opening of the new cloakroom, and this was attended by parents and children as well as several prior chairs of the parents fundraising committees.

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 provided the children with very important information for their safety. A survey was done on parents and an annual Travel Plan was produced.

Building projects during the year included finalising the ground floor project, the upstairs kitchen being refurbished and the perimeter fencing being replaced. 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 fourteen 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 the ground floor project. 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.

FINANCIAL REVIEW INCLUDING RESERVES POLICY

The nursery's finances are in a stable situation with the key figure of unrestricted reserves (not invested in fixed assets) amounting to £42.8k. There are a few requirements for capital spend for fencing and more play equipment in the next financial year which will be partly funded by the fundraising.

The fundraising in the current year of £7.7k was spent on playground equipment and improvements in the outdoor areas.

THE MARIA GREY NURSERY SCHOOL

DIRECTORS' REPORT continued

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 Directors aim to achieve an unrestricted reserves figure not tied up in fixed assets between £40k and £60k.

RESULTS

The nursery's gross income before expenditure of £371.0k was up on last year by £2.9k relating to increased fees £29.1k and increased fundraising £2.6k offset by no longer having a grant for rent £30.4k. The two free places were given to the value of £5.5k but there was no call on the hardship fund this year.

Resources expended increased to £387.6k up on last year by £49.0k. The two large variances are the increase in salary costs of £20.1k and the higher depreciation of £20.0k. Salaries have increased with the normal salary increases and higher staff overtime relating to providing a cleaner and more organised environment for the children. Depreciation costs are showing a large increase as it includes the first year of depreciation of the ground floor project. The one-off increase in governance costs were covered by fundraising.

The deficit of income over expenditure for the year was £16.9k which was lower by £46.1k from the surplus last year.

Included in the above, the fundraising events produced £7.7k with the Christmas social event bringing in £5.6k, the May Fair £1.0k with other smaller events bringing in the remainder. A total of £11.6k was transferred from general reserves to the ground floor project with a total spend of £82.8k on the project.

No further major capital expenditure is planned for the foreseeable future. Fundraising will be done to raise money for any small projects to improve the nursery facilities further.

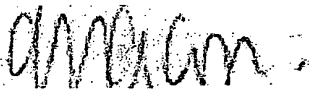
DIRECTORS AND THEIR INTERESTS

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 25th May 2018
and signed on its behalf by



.....
Michele Cogan
Director

THE MARIA GREY NURSERY SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES incorporating the income and expenditure account

For the year ended 31st August 2017

	Notes	2017 Unrestricted Funds £	2017 Restricted Funds £	2017 Total Funds £	2016 Total Funds £
Voluntary income		100	0	100	124
Activities for generating funds		9,520	0	9,520	6,903
Nursery activities		361,308	0	361,308	360,891
Interest receivable		50		50	136
Total incoming Resources	3	370,978	0	370,978	368,054
Costs of generating funds		1,682		1,682	1,862
Nursery costs		363,459	16,554	380,013	335,026
Governance costs		6,168		6,168	2,000
Total Resources Expended	6	371,309	16,554	387,863	338,888
Net Income and (Expenditure) Total before Transfers		(331)	(16,554)	(16,885)	29,166
Gross transfers between funds		(11,623)	11,623	0	0
Net Incoming/ (Outgoing) resources		(11,954)	(4,931)	(16,885)	29,166
Total Funds brought forward		78,944	75,020	153,964	124,798
Total Funds carried forward		66,990	70,089	137,079	153,964

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 2017

		2017 Total Funds	2016 Total Funds
FIXED ASSETS			
Tangible assets	11	90,403	79,576
CURRENT ASSETS			
Debtors	12	21,683	13,020
Cash at bank and in hand	15	140,932	167,236
TOTAL CURRENT ASSETS		162,615	180,256
CREDITORS: Amounts falling due within one year	13	112,939	104,368
NET CURRENT ASSETS/(LIABILITIES)		49,676	75,888
TOTAL ASSETS LESS CURRENT LIABILITIES		140,079	155,464
CREDITORS: Amounts falling due after more than one year	13	3,000	1,500
TOTAL NET ASSETS OR LIABILITIES	20	137,079	153,964
FUNDS OF THE CHARITY:-			
UNRESTRICTED		65,468	71,085
DESIGNATED		1,522	7,859
RESTRICTED		70,089	75,020
TOTAL FUNDS	18	137,079	153,964

For the year ended 31st August 2017 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 25th May 2018 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 2017

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 2017

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 2017

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 2017****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:-	2017 £	2016 £
Donations	100	124
Social Deprivation Grant		
Total Voluntary Income	<u>100</u>	<u>124</u>

Activities for Generating Funds:-

Fund Raising Activities	<u>9,520</u>	<u>6,903</u>
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Nursery Activities	2017 £	2016 £
School Fees	250,524	243,635
Grants received as partial funding for the fees	104,965	82,771
Registrations and Deposits Retained	3,330	2,905
Grants received for Rent		30,417
Other Grants	895	1,087
Other reimbursements for Nursey Activities	1,594	76
Total Nursery Activities	<u>361,308</u>	<u>360,891</u>

Investment Income	2017 £	2016 £
Interest Receivable	50	136

THE MARIA GREY NURSERY SCHOOL

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2017

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 was only able to be recognised in the previous financial year as the income criteria had been met.

Note 4 ANALYSIS OF GOVERNMENT GRANTS

	2017	2016
	£	£
Government Grant contribution to school fees	104,965	82,771
Grant for Rent		30,417
Grant for Student Placement	800	800
Grant for Cycle Rack		
Grant for Early Years Pupil Premium	95	286
Social Deprivation Grant		
Total Grants	<u>105,860</u>	<u>114,274</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 was only able to be recognised in the last financial year as the income criteria had 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 2017****Note 6 ANALYSIS OF RESOURCES EXPENDED**

Activities for Generating Funds:-	2017	2016
	£	£
Fund Raising Expenses	1,682	1,862
Nursery Activities	2017	2016
	£	£
Salaries, Wages, NI, pensions and Temp Costs	285,819	265,730
Rent	26,251	23,752
Hardship/bad debt fund		1,653
Maintenance and sinking fund contributions	2,098	986
Insurance	1,573	1,535
Depreciation	25,652	5,605
Electricity, telephone & broadband	6,855	3,733
Cleaning	8,150	9,664
Piano	3,672	3,631
Classroom supplies and small equipment	9,050	7,678
Office Supplies	1,416	994
Accounting (re budgeting/cash forecast) and Legal	1,000	4,122
Advertising	535	364
Staff Training & study grant payments	902	1,598
Miscellaneous Nursery expenses	7,040	3,981
Total Nursey Activities	380,013	335,026
Governance Costs	2017	2016
	£	£
Accounting	1,500	2,000
Legal	4,668	
Total Governance Costs	6,168	2,000

All the resources expended are unrestricted in the current year except the depreciation of £16,554 for the ground floor project. 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 2017

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 £52.7k (of which Governance costs £6.2k) for 2017 and £45.7k (of which Governance costs were £2.0k for 2016). 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

	2017	2016
	£	£
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	2000	2500

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 2017	13	255,561	22,320	7,938	285,819
Year ended 31st August 2016	12	238,418	20,436	6,876	265,730

All employees work within the charitable activity.

The average number of equivalent full time employees is 9 for 2017 and 8 for 2016.

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

The amount paid to key management personnel for their services to the charity was £78.0k in 2017 (£74.7k in 2016) excluding employer pension costs.

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2017****Note 10 DEFINED CONTRIBUTION PENSION SCHEME**

The amount of defined contributions recognised in the SOFA as an expense is £7,938 for the 2016/17 financial year and £6,876 for the 2015/16 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 new 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 & Equipment	Office Buildings	Assets under construction	Total Fixed Assets
	£	£	£	£
At 1st September 2016	122,704	18,598	71,149	212,451
Additions	24,855		11,623	36,478
Transfers	82,772		-82,772	0
At 31st August 2017	230,331	18,598		248,929
DEPRECIATION				
At 1st September 2016	114,277	18,598	0	132,875
Charge for year	25,652		0	25,652
At 31st August 2017	139,929	18,598	0	158,527
NET BOOK VALUE				
At 31st August 2017	90,402	0	0	90,402
At 31st August 2016	8,427	0	71,149	79,576

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 2017**

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 finalised and transferred to fixtures and fittings. This work was started in the summer of 2016 and was completed during this financial year. 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

	2017 £	2016 £
Trade debtors	20,229	11,764
Prepayments & Accrued income	1,454	1,256
	<hr/>	<hr/>
	21,683	13,020
	<hr/>	<hr/>

There were no debtors falling due after one year

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

	2017 £	2016 £
Deposits held for Parents	14,400	14,800
Accruals	20,223	11,826
Deferred income	68,699	71,065
Taxation and social security	9,617	6,207
Other creditors		470
	<hr/>	<hr/>
Total	112,939	104,368
	<hr/>	<hr/>

Accruals relate to the staff bonus for previous academic year paid in November £8.0k, accounting fees payable once work on year end complete £2.5k, rent payment of £6.5k for the last quarter paid after the year end plus other minor adjustments on costs anticipated which relate to 16/17 year.

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2017****13.2 AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2017	2016
	£	£
Provisions	3,000	1,500
Total	3,000	1,500

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.

	2017	2016
	£	£
Movement in Deferred Income		
Balance at the start of the year	71,065	64,687
Amounts added in the year	68,699	71,065
Amounts released to income in the year	71,065	64,687
Balance at the end of the year	68,699	71,065

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

	2017	2016
	£	£
Balance at the start	1,500	4,500
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	3,000	1,500

The fundraising for the previous financial year was designated for balancing equipment which has only been partly spent in 15/16, an amount of £3.1k was put towards the legal governance costs in the 16/17 financial year. This was approved by the chairperson.

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2017****Note 15 CASH AT BANK AND IN HAND**

	2017 £	2016 £
Cash at bank	126,032	151,936
Cash in bank (parent's deposits)	14,400	14,800
Petty Cash	500	500
Total	<u>140,932</u>	<u>167,236</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 2017****Note 18 CHARITY FUNDS****18.1 Details of Material Funds held and movements during the Current Year**

	As at 31/08/2016	Incoming Resources	Outgoing Resources	Transfers	As at 31/08/2017
Reserved Funds:-					
First Floor refurbish	0				0
Cycle Rack	3,871				3,871
Ground Floor Project	71,149		16,554	11,623	66,218
Total Reserved Funds	75,020		16,554	11,623	70,089
Unrestricted Funds:					
Designated Funds	7,859		6,337		1,522
General Funds	71,085	370,978	364,972	-11,623	65,468
Total Funds	153,964	370,978	387,863	0	137,079

Transfers between funds relates to additional funds of £11,623 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 playground equipment net value of £1,522. The balance of £3,138 was agreed by the parents to be used as part of the spend on legal governance costs.

THE MARIA GREY NURSERY SCHOOL**NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st August 2017****Previous Year**

	As at 31/08/2015	Incoming Resources	Outgoing Resources	Transfers	As at 31/08/2016
Reserved Funds:-					
First Floor refurbish					0
Cycle Stand	3,871				3,871
Ground Floor Project	48,986			22,163	71,149
Total Reserved Funds	52,857	13,190	9,837	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

Transfer between funds relates to the ground floor project additional funds required to meet spend to date. The designated funds relate to the net value of the awning £2,818 and the playground equipment £5,041.

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

Some of the directors are parents with children who are at the nursery or have been at the nursery in the past and therefore pay or have paid 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 and playground equipment makes up the designated fund. Some of the funds for the playground equipment was approved to be switched in the year to help cover the legal costs for governance. 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 2017****BALANCE SHEET COLUMNAR SHOWING SPLIT OF ASSETS AT 31.8.17**

	Restricted	Designated	Unrestricted	Total
Fixed Assets	136,103	15,996	96,830	248,929
Depreciation	69,885	14,474	74,167	158,526
Net Fixed Assets	<u>66,218</u>	<u>1,522</u>	<u>22,663</u>	<u>90,403</u>
Debtors			21,683	21,683
Cash in bank	3,871		137,061	140,932
Less Creditors			112,939	112,939
Net Current Assets	<u>3,871</u>		<u>45,805</u>	<u>49,676</u>
Creditors over one year			3,000	3,000
Reserves	<u>70,089</u>	<u>1,522</u>	<u>65,468</u>	<u>137,079</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 2017 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

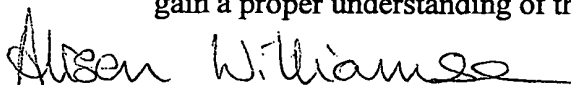
Basis of independent examiner's report

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

25th May 2018