

SIGN DATE 6/08/16

Charity number: 1119430

**North Cheshire Jewish Nursery Education Trust**

**Trustees' report and financial statements**

**for the year ended 31 August 2016**

# North Cheshire Jewish Nursery Education Trust

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## North Cheshire Jewish Nursery Education Trust

### Legal and administrative information

<b>Charity number</b>	1119430	
<b>Business address</b>	North Cheshire Jewish Primary School St Ann's Road North, Heald Green Cheadle, Stockport Cheshire SK8 4RZ	
<b>Registered office</b>	North Cheshire Jewish Primary School St Ann's Road North, Heald Green Cheadle, Stockport Cheshire SK8 4RZ	
<b>Trustees</b>	Anthony Wagner Andrew Basger Ginette Esterkin	
<b>Management committee</b>	Simone Kirsch Ginette Esterkin Michael Woolf Carol Lewis Gail Swerling Caroline Fraser	Head of Campus Nursery Manager  Resigned February 2016
<b>Auditors</b>	Langer & Co 8-10 Gailey Road Cheadle Cheshire SK8 1PY	
<b>Bankers</b>	Lloyds TSB 223 Finney Lane Heald Green Cheadle Cheshire, SK8 3PY	
<b>Solicitors</b>	Lopian Wagner Solicitors Maybrook House 40 Blackfriars Street Manchester M3 2EG	

# North Cheshire Jewish Nursery Education Trust

## Report of the trustees for the year ended 31 August 2016

The trustees present their report and the financial statements for the year ended 31 August 2016. The trustees who served during the year and up to the date of this report are set out on page 1.

### Structure, governance and management

#### *Governing document*

The charity is governed by the Trust Deed dated 20 November 2006.

#### *Organisational structure*

The Trustees meet formally twice yearly to discuss issues arising from the administration of the Trust. Decisions about the running of the Nursery are made by the Nursery Management Committee who meet on a regular basis and report back to the Trustees.

#### *Recruitment and training of trustees*

The trustees of the Trust were appointed by the trust deed from within the governing body of the School with a proven record of commitment to education, and in particular Jewish education. Future appointments are by the trustees. All Trustees serve for a period of 3 years, with the exception of the first trustees who have been appointed for terms of 3, 4 and 5 years, and are eligible for re-election. The trustees have the appropriate knowledge of how a charity created for educational purposes should operate. Nevertheless, consideration is currently being given to the most appropriate form of training for trustees.

#### *Group structure and related parties*

The Trust works in cooperation with North Cheshire Jewish Primary School in so far as its aim is to increase the number of children in that school by providing a feeder nursery.

The Trust has entered into a 25 year lease with the North Cheshire Jewish Nursery Property Trust for the property in which the Nursery operates. The agreed rental is £30,000 per annum.

#### *Reserves policy and risk management*

The view of the trustees is that sufficient cash reserves should be accumulated to allow for future repairs and refurbishment of the building and renewal of resources.

The main risk facing the Trust is that revenue it receives from pupils should be insufficient to cover future obligations. The Trust has increased fees and seeks to increase pupil numbers in order to ensure sufficient funds are raised.

### Objectives and activities

#### *Charitable objects*

The Trust's objects, as laid out in the Trust Deed, are

- i) to provide education in an orthodox Jewish environment to children under statutory school age.
- ii) within an orthodox Jewish environment to provide necessary facilities for the daily care, recreation and education of children during out of school hours and school holidays with the object of improving their conditions of life.
- iii) to advance the education and training of parents in the provision of childcare.

## **North Cheshire Jewish Nursery Education Trust**

### **Report of the trustees for the year ended 31 August 2016**

#### *Activities*

The Nursery run by the Trust opened in September 2006. It initially opened in Yeshurun Synagogue in Cheadle and moved to the building leased for the NCJN Property Trust in October 2006.

Charitable status was awarded on 31st May 2007.

The Nursery employs a nursery manager together with a number of full-time and part-time teachers and nursery nurses to satisfy staffing demands in accordance with government regulations. Day-to-day decisions are made by the nursery manager although policy and planning decisions are made by the management committee.

At the start of the year the majority of staff were paid the minimum wage. An average salary increase of 3.0% was awarded. This was in line with the increase in the national minimum wage. Fees were also increased by 3% to ensure there is sufficient money available for repairs and new resources.

When planning the activities the trustees have considered the guidance on public benefit and, in particular, the specific guidance on charities for the advancement of education.

#### **Achievements and performance**

The Nursery had an Ofsted inspection in June 2015 and was rated as a "good" Nursery. Recommendations made by Ofsted have been followed.

Pupil numbers have decreased since the nursery first opened as a result of changing demographics and parents sending children to a nursery closer to their home. The wording on the website has been amended in an effort to attract parents searching online to find a nursery in the area. The nursery continues to have an excellent reputation among parents and in the community. Staff are committed and hard working and the feedback from parents is very positive.

#### **Financial review**

##### *Results for the period*

Incoming resources totalled £367,392, the major part being nursery fees which, including grants, totalled £328,164. Total resources expended amounted to £346,256. Therefore the result for the period was a surplus of £21,136.

Net assets at 31 August 2016 amounted to £116,810.

#### **Statement as to disclosure of information to auditors**

In so far as the trustees are aware:

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

## North Cheshire Jewish Nursery Education Trust

### Report of the trustees for the year ended 31 August 2016

#### Statement of trustees' responsibilities

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of charity and of the incoming resources and application of resources of the charity for that year. In preparing these financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011 and the Charity (Accounts and Reports) Regulations 2008. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other

#### Auditors

The Trustees recommend that Langer & Co remain in office until further notice.

On behalf of the board of .....

.....21-3-17.....  
**Ginette Esterkin**  
Trustee

## **North Cheshire Jewish Nursery Education Trust**

### **Independent auditor's report to the trustees of North Cheshire Jewish Nursery Education Trust**

We have audited the financial statements of North Cheshire Jewish Nursery Education Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with section 144 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of the trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 4, the trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditors under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees Annual Report and audited financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 August 2016, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

## North Cheshire Jewish Nursery Education Trust

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

*Langer & Co*

Langer & Co  
Chartered Accountants and  
Statutory Auditors

*28<sup>th</sup> March 2017*

8-10 Gatley Road  
Cheadle  
Cheshire  
SK8 1PY

Langer & Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



# North Cheshire Jewish Nursery Education Trust

## Statement of financial activities

For the year ended 31 August 2016

	Notes	Unrestricted funds £	2016 Total £	2015 Total £
<b>Incoming resources</b>				
Incoming resources from generating funds:				
Voluntary income	2	31,689	31,689	30,069
Investment income	3	108	108	115
Incoming resources from charitable activities	4	336,500	336,500	348,377
Other incoming resources	5	159	159	-
<b>Total incoming resources</b>		<u>368,456</u>	<u>368,456</u>	<u>378,561</u>
<b>Resources expended</b>				
Charitable activities	6	343,393	343,393	340,377
Governance costs	8	3,927	3,927	2,936
<b>Total resources expended</b>		<u>347,320</u>	<u>347,320</u>	<u>343,313</u>
<b>Net incoming resources for the year /</b>				
<b>Net income for the year</b>		21,136	21,136	35,248
Total funds brought forward		<u>95,674</u>	<u>95,674</u>	<u>60,426</u>
<b>Total funds carried forward</b>		<u>116,810</u>	<u>116,810</u>	<u>95,674</u>

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared.

All of the above amounts relate to continuing activities.

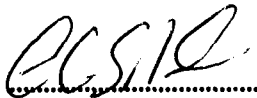
The notes on pages 9 to 14 form an integral part of these financial statements.

**North Cheshire Jewish Nursery Education Trust**

**Balance sheet  
as at 31 August 2016**

	Notes	2016		2015	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	11		14,383		15,410
<b>Current assets</b>					
Debtors	12	9,709		4,691	
Cash at bank and in hand		117,865		88,269	
		<u>127,574</u>		<u>92,960</u>	
<b>Creditors: amounts falling due within one year</b>	13	<u>(25,147)</u>		<u>(12,696)</u>	
<b>Net current assets</b>			<u>102,427</u>		<u>80,264</u>
<b>Net assets</b>			<u>116,810</u>		<u>95,674</u>
<b>Funds</b>	14				
Unrestricted income funds			<u>116,810</u>		<u>95,674</u>
<b>Total funds</b>			<u>116,810</u>		<u>95,674</u>

The financial statements were approved by the trustees on 21-3-17 and signed on its behalf by



**Ginette Esterkin**  
Trustee

The notes on pages 9 to 14 form an integral part of these financial statements.

# North Cheshire Jewish Nursery Education Trust

## Notes to financial statements for the year ended 31 August 2016

### 1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

#### 1.1. Basis of accounting

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards and in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16/07/14 and the Charities Act 2011. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant account policy note(s).

#### 1.2. Cashflow

The charity has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small charity.

#### 1.3. Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Nursery fees are recognised in full in the statement of financial activities in the year in which they are receivable.

Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

Income from investments is included in the year in which it is receivable.

#### 1.4. Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

#### 1.5. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Leasehold properties - Straight line over the life of the lease

**North Cheshire Jewish Nursery Education Trust**

**Notes to financial statements  
for the year ended 31 August 2016**

**2. Voluntary income**

	<b>Unrestricted funds £</b>	<b>2016 Total £</b>	<b>2015 Total £</b>
Donations	1,689	1,689	69
Property Trust	30,000	30,000	30,000
	<u>31,689</u>	<u>31,689</u>	<u>30,069</u>

**3. Investment income**

	<b>Unrestricted funds £</b>	<b>2016 Total £</b>	<b>2015 Total £</b>
Bank interest receivable	108	108	115
	<u>108</u>	<u>108</u>	<u>115</u>

**4. Incoming resources from charitable activities**

	<b>Unrestricted funds £</b>	<b>2016 Total £</b>	<b>2015 Total £</b>
Grants	57,667	57,667	55,008
Nursery fees	271,816	271,816	282,195
Assisted places discounts	(255)	(255)	(4,018)
SEN Grant Trafford	-	-	7,842
EYT Grant	-	-	7,350
Afterschool	4,254	4,254	-
CST Grant	3,018	3,018	-
	<u>336,500</u>	<u>336,500</u>	<u>348,377</u>

**5. Other incoming resources**

	<b>Unrestricted funds £</b>	<b>2016 Total £</b>	<b>2015 Total £</b>
Recycling	159	159	-
	<u>159</u>	<u>159</u>	<u>-</u>

## North Cheshire Jewish Nursery Education Trust

### Notes to financial statements for the year ended 31 August 2016

#### 6. Costs of charitable activities - by fund type

	Unrestricted funds £	2016 Total £	2015 Total £
Wages & Salaries	229,953	229,953	227,884
Employer's NIC	9,939	9,939	11,714
Staff - Other	2,555	2,555	1,596
Establishment - Rent	30,000	30,000	30,000
Establishment - Rates & water	3,192	3,192	1,753
Establishment - Light & heat	5,423	5,423	4,184
Establishment - Rep. & maint.	3,491	3,491	6,927
Establishment - Insurance	4,614	4,614	4,847
Establishment - Security	9,781	9,781	6,569
Other motor & travel expenses	38	38	-
Professional - Consultancy	2,374	2,374	2,693
Professional - Registrations	416	416	413
Office expenses - Telephone	1,176	1,176	1,061
Office expenses - Photocopying	2,289	2,289	1,439
Software	562	562	562
Office expenses - Admin costs	19	19	20
Depreciation & impairment	1,027	1,027	1,027
Nursery equipment	5,758	5,758	5,046
Cleaning & Hygiene	14,848	14,848	14,594
Food	15,393	15,393	16,638
Talking Tots	-	-	690
Playmakers	-	-	720
Bereavement donations	500	500	-
Charitable donations	45	45	-
	<u>343,393</u>	<u>343,393</u>	<u>340,377</u>

#### 7. Costs of charitable activities - by activity

	Activities undertaken directly £	2016 Total £	2015 Total £
Nursery	343,393	343,393	340,377
	<u>343,393</u>	<u>343,393</u>	<u>340,377</u>

## North Cheshire Jewish Nursery Education Trust

### Notes to financial statements for the year ended 31 August 2016

#### 8. Governance costs

	Unrestricted funds £	2016 Total £	2015 Total £
Professional - Accountancy fees	2,127	2,127	1,074
Professional - Auditor remuneration	1,800	1,800	1,800
Bank charges	-	-	62
	<u>3,927</u>	<u>3,927</u>	<u>2,936</u>

#### 9. Employees

Employment costs	2016 £	2015 £
Wages and salaries	229,953	227,884
Social security costs	9,939	11,714
Other costs	2,555	1,596
	<u>242,447</u>	<u>241,194</u>

No employee received emoluments of more than £60,000.

#### Number of employees

The average monthly numbers of employees (including the trustees) during the year, calculated on the basis of full time equivalents, was as follows:

	2016 Number	2015 Number
Nursery staff	<u>18</u>	<u>17</u>

#### 10. Trustees' emoluments

The trustees received no remuneration or expenses in the period.

**North Cheshire Jewish Nursery Education Trust**

**Notes to financial statements  
for the year ended 31 August 2016**

<b>11. Tangible fixed assets</b>	<b>Long leasehold property £</b>	<b>Total £</b>
<b>Cost</b>		
At 31 August 2016	21,574	21,574
<b>Depreciation</b>		
At 1 September 2015	6,164	6,164
Charge for the year	1,027	1,027
At 31 August 2016	7,191	7,191
<b>Net book values</b>		
At 31 August 2016	14,383	14,383
At 31 August 2015	15,410	15,410
<b>12. Debtors</b>	<b>2016 £</b>	<b>2015 £</b>
Trade debtors	3,945	3,755
Other debtors	163	163
Prepayments and accrued income	5,601	773
	9,709	4,691
<b>13. Creditors: amounts falling due within one year</b>	<b>2016 £</b>	<b>2015 £</b>
Trade creditors	13,015	4,531
Other taxes and social security	5,429	1,738
Other creditors	592	762
Accruals and deferred income	6,111	5,665
	25,147	12,696

## North Cheshire Jewish Nursery Education Trust

### Notes to financial statements for the year ended 31 August 2016

#### 14. Analysis of net assets between funds

	Unrestricted funds £	Total funds £
Fund balances at 31 August 2016 as represented by:		
Tangible fixed assets	14,383	14,383
Current assets	127,574	127,574
Current liabilities	(25,147)	(25,147)
	<u>116,810</u>	<u>116,810</u>

#### 15. Unrestricted funds

	At 1 September 2015 £	Incoming resources £	Outgoing resources £	At 31 August 2016 £
General Fund	<u>95,674</u>	<u>368,456</u>	<u>(347,320)</u>	<u>116,810</u>

#### Purposes of unrestricted funds

The funds are to be used in accordance with the objects of the Trust.

#### 16. Related party transactions

North Cheshire Jewish Nursery Property Trust

During the year £30,000 (2015 £30,000) rent was paid to the Property Trust and a £30,000 (2015 £30,000) donation was received from the Property Trust.