

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2018
FOR
ST JOHN'S NURSERY GROUP CIO

Hartley Fowler LLP
Chartered Accountants
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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2018

The trustees present their report with the financial statements of the charity for the year ended 31 August 2018. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The charity exists to advance the education of children below compulsory school age by providing satisfactory group play in a safe and secure environment. It aims to ensure to the best of its ability that excellent facilities and pre-school education are provided to each child who attends the nursery.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

The last academic year started strongly, with a high admissions rate from the start of the autumn term. That rate continued throughout the year, laying a strong foundation to support our activities throughout the year. Over Easter we launched our holiday club. Following a successful trial we ran the club for several weeks over the summer. We hope this extended offering will help parents juggling other commitments over the holidays.

In December we received our long anticipated visit from Ofsted. A lot of work goes into supporting the inspection on very short notice. The team worked hard, and we were proud to receive our rating of Good. As well as our Ofsted inspection, this year the nursery won a Top 20 award from daynurseries.co.uk. This is a great reflection on the staff, and the quality of care they provide.

Many of our staff have gained further qualifications this year, and completed training in a range of areas. We have increased our capacity for SEN provision, and supported a number of children and families in a range of difficult circumstances. This continues to be recognised more widely, as our nursery manager now supports a number of advisory groups to help further develop best practice in Surrey and the surrounding area.

We have laid a great foundation for the next few years for the nursery, and look forward to an exciting year ahead.

FINANCIAL REVIEW

Reserves policy

Historically the Trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be 3 months of the resources expended plus redundancy costs. Given the large costs involved relocating to the new site at Redstone the trustees agreed that future free reserves should be equal to the redundancy costs only, with the intention of rebuilding the free reserves once established at the new site. Given that this financial year was our first stable year at the new site the intention was to rebuild the free reserves to cover redundancy costs as well as one month's operating costs. Current redundancy costs are £13,800 and one month's operating costs are £16,300.

At present the free reserves, which amount to £28,700 are approaching this target level.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is controlled by its governing constitution, using the Charity commission CIO 'Association' model template.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 AUGUST 2018

STRUCTURE, GOVERNANCE AND MANAGEMENT

Organisational structure

The members of the Management Committee are as follows:

Kate Pawlowicz	Chairman	Resigned October 2017
Chris Kelly	Chairman	Appointed October 2017
Jonathan Cottrell	Treasurer	
Claire Gribble	Secretary	
Phil Innes	General Member	
Paul Corcoran	General Member	
Rob Crutchington	General Member	Appointed September 2016 Resigned October 2017
Rachel Stansbury	General Member	Appointed September 2016 Resigned October 2017
Helen Worgan	Social & Fundraising	Appointed September 2017
Katherine Murray	Social & Fundraising	Appointed September 2017

Trustees and Management Committee members self-nominate for roles and are voted in at the charity's Annual General Meeting.

Advice and information

The nursery is a member of the Pre-School Learning Alliance (PLA) and as such is able to benefit from PLA training sessions in addition to free advice, both legal and otherwise. The nursery is registered with social services and is inspected by OFSTED.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1163181

Principal address

Redstone Lodge
Philanthropic Road
Redhill
Surrey
RH1 4DG

Trustees

J Cottrell	
K Pawlowicz	- resigned 4/10/17
Mrs C Gribble	
C Kelly	- appointed 4/10/17

Independent examiner

Hartley Fowler LLP
Chartered Accountants
44 Springfield Road
Horsham
West Sussex
RH12 2PD

STATEMENT OF TRUSTEES RESPONSIBILITIES

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

The law applicable to charities in England and Wales, the Charities Act 2011, Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to

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

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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 irregularities.

Approved by order of the board of trustees on 8 October 2018 and signed on its behalf by:

C Kelly - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF ST JOHN'S NURSERY GROUP CIO

Independent examiner's report to the trustees of St John's Nursery Group CIO

I report to the charity trustees on my examination of the accounts of the St John's Nursery Group CIO (the Trust) for the year ended 31 August 2018.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I confirm that there are no other matters to which your attention should be drawn to enable a proper understanding of the accounts to be reached.

P R Collins (Senior Statutory Auditor)
ACA
Hartley Fowler LLP
Chartered Accountants
44 Springfield Road
Horsham
West Sussex
RH12 2PD

29 November 2018

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2018

	Notes	Unrestricted fund £	Restricted fund £	2018 Total funds £	2017 Total funds £
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Grants Receivable		135,481	-	135,481	88,389
Charitable Activities		94,698	-	94,698	86,814
Other trading activities	2	4,078	-	4,078	2,799
Total		234,257	-	234,257	178,002
EXPENDITURE ON					
Charitable activities					
Charitable Activities		199,463	-	199,463	164,776
Support Costs		18,152	392	18,544	14,957
Total		217,615	392	218,007	179,733
NET INCOME/(EXPENDITURE)		16,642	(392)	16,250	(1,731)
RECONCILIATION OF FUNDS					
Total funds brought forward		11,602	848	12,450	14,181
TOTAL FUNDS CARRIED FORWARD		28,244	456	28,700	12,450

The notes form part of these financial statements

ST JOHN'S NURSERY GROUP CIO

STATEMENT OF FINANCIAL POSITION
AT 31 AUGUST 2018

	Notes	Unrestricted fund £	Restricted fund £	2018 Total funds £	2017 Total funds £
FIXED ASSETS					
Tangible assets	6	4,408	456	4,864	3,153
CURRENT ASSETS					
Debtors	7	2,356	-	2,356	2,584
Cash in hand		28,744	-	28,744	12,634
		<u>31,100</u>	<u>-</u>	<u>31,100</u>	<u>15,218</u>
CREDITORS					
Amounts falling due within one year	8	(7,264)	-	(7,264)	(5,921)
NET CURRENT ASSETS		<u>23,836</u>	<u>-</u>	<u>23,836</u>	<u>9,297</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		28,244	456	28,700	12,450
NET ASSETS		<u>28,244</u>	<u>456</u>	<u>28,700</u>	<u>12,450</u>
FUNDS	10				
Unrestricted funds				28,244	11,602
Restricted funds				456	848
TOTAL FUNDS				<u>28,700</u>	<u>12,450</u>

The financial statements were approved by the Board of Trustees on 8 October 2018 and were signed on its behalf by:

C Kelly -Trustee

The notes form part of these financial statements

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The presentation currency of the financial statements is the Pound Sterling (£).

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2018

2. OTHER TRADING ACTIVITIES

	2018 £	2017 £
Fundraising	3,093	1,738
Other Income	985	1,061
	<u>4,078</u>	<u>2,799</u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2018 nor for the year ended 31 August 2017.

Trustees' expenses

During the year, £298 (2017: £1,047) of expenses were reimbursed to the trustees in respect of items purchased on behalf of the charity.

4. STAFF COSTS

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

	2018	2017
Nursery Staff	<u>13</u>	<u>12</u>

No employees received emoluments in excess of £60,000.

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Grants Receivable	88,389	-	88,389
Charitable Activities	86,814	-	86,814
Other trading activities	<u>2,799</u>	<u>-</u>	<u>2,799</u>
Total	178,002	-	178,002
EXPENDITURE ON			
Charitable activities			
Charitable Activities	164,776	-	164,776
Support Costs	<u>14,565</u>	<u>392</u>	<u>14,957</u>
Total	179,341	392	179,733
NET INCOME/(EXPENDITURE)	<u>(1,339)</u>	<u>(392)</u>	<u>(1,731)</u>

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted fund £	Restricted fund £	Total funds £
RECONCILIATION OF FUNDS			
Total funds brought forward	12,941	1,240	14,181
TOTAL FUNDS CARRIED FORWARD	<u>11,602</u>	<u>848</u>	<u>12,450</u>

6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 September 2017	17,655	3,012	20,667
Additions	<u>3,168</u>	<u>1,120</u>	<u>4,288</u>
At 31 August 2018	<u>20,823</u>	<u>4,132</u>	<u>24,955</u>
DEPRECIATION			
At 1 September 2017	15,242	2,272	17,514
Charge for year	<u>1,857</u>	<u>720</u>	<u>2,577</u>
At 31 August 2018	<u>17,099</u>	<u>2,992</u>	<u>20,091</u>
NET BOOK VALUE			
At 31 August 2018	<u>3,724</u>	<u>1,140</u>	<u>4,864</u>
At 31 August 2017	<u>2,413</u>	<u>740</u>	<u>3,153</u>

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other debtors	<u>2,356</u>	<u>2,584</u>

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Taxation and social security	4,442	2,343
Other creditors	<u>2,822</u>	<u>3,578</u>
	<u>7,264</u>	<u>5,921</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2018

9. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018 £	2017 £
Within one year	18,000	18,000
Between one and five years	72,000	72,000
In more than five years	286,500	304,500
	<u>376,500</u>	<u>394,500</u>

10. MOVEMENT IN FUNDS

	At 1/9/17 £	Net movement in funds £	At 31/8/18 £
Unrestricted funds			
General fund	11,602	16,642	28,244
Restricted funds			
New Place Grant	848	(392)	456
	<u>12,450</u>	<u>16,250</u>	<u>28,700</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	234,257	(217,615)	16,642
Restricted funds			
New Place Grant	-	(392)	(392)
	<u>234,257</u>	<u>(218,007)</u>	<u>16,250</u>

Comparatives for movement in funds

	At 1/9/16 £	Net movement in funds £	At 31/8/17 £
Unrestricted Funds			
General fund	12,941	(1,339)	11,602
Restricted Funds			
New Place Grant	1,240	(392)	848
	<u>14,181</u>	<u>(1,731)</u>	<u>12,450</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 AUGUST 2018

10. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	178,002	(179,341)	(1,339)
Restricted funds			
New Place Grant	-	(392)	(392)
TOTAL FUNDS	178,002	(179,733)	(1,731)

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

	At 1/9/16 £	Net movement in funds £	At 31/8/18 £
Unrestricted funds			
General fund	12,941	15,303	28,244
Restricted funds			
New Place Grant	1,240	(784)	456
TOTAL FUNDS	14,181	14,519	28,700

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	412,259	(396,956)	15,303
Restricted funds			
New Place Grant	-	(784)	(784)
TOTAL FUNDS	412,259	(397,740)	14,519

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2018.

ST JOHN'S NURSERY GROUP CIO

DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2018

	2018 £	2017 £
INCOME AND ENDOWMENTS		
Other trading activities		
Fundraising	3,093	1,738
Other Income	985	1,061
	<u>4,078</u>	<u>2,799</u>
Charitable activities		
Fees	83,594	78,857
Hot Lunches	11,104	7,957
Grants	135,481	88,389
	<u>230,179</u>	<u>175,203</u>
Total incoming resources	234,257	178,002
EXPENDITURE		
Charitable activities		
Wages	147,137	123,082
Pensions	794	717
Session Expenses	6,562	5,900
Hot Lunches	8,346	7,658
Fundraising costs	961	961
Rent and Insurance	20,249	19,839
Training courses	3,340	1,372
Advertising	2,396	415
Sundries	175	246
Refurbishment of new premises	8,726	2,878
Uniform Costs	777	1,708
	<u>199,463</u>	<u>164,776</u>
Support costs		
Management		
Legal and Professional	585	-
Committee Administration	1,027	297
Nursery Utilities	8,538	7,055
Telephone	641	1,936
Accountancy	2,850	2,370
Website Maintenance	2,170	1,622
Bank Charges	157	172
Depreciation of tangible fixed assets	2,576	1,505
	<u>18,544</u>	<u>14,957</u>
Total resources expended	218,007	179,733
Net income/(expenditure)	<u>16,250</u>	<u>(1,731)</u>

This page does not form part of the statutory financial statements