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**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
**(A Company Limited by Guarantee)**

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**UNAUDITED**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2020**

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**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
**(A Company Limited by Guarantee)**

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**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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<b>Trustees</b>	Mrs Vyvyen Brendon, Chair Ms Clare Sage, Treasurer Ms Rachel Edwards Ms Jane Plows Ms Cecilia Prichard Jones Dr Julia Proctor (appointed 12 November 2020) Ms Eleanor Riley
<b>Company registered number</b>	05364793
<b>Charity registered number</b>	1122682
<b>Registered office</b>	4A Millington Road CAMBRIDGE CB3 9HB
<b>Independent Examiner</b>	Mrs J Coplowe FCA Peters Elworthy & Moore Salisbury House Station Road Cambridge CB1 2LA
<b>Bankers</b>	HSBC PO Box 85 City Office Cambridge CB2 3HZ

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**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the financial statements of The Millington Road Nursery School Trust (the Charity) for the year ended 31 August 2020. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP), applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (second edition of the Charities SORP (FRS102) October 2019 effective 1 January 2019).

Since the company qualifies as small under section 383, the strategic report required of large and medium companies under the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

**OBJECTIVES AND ACTIVITIES**

The Charity was formed to carry on the Millington Road Nursery School and to promote the advancement of education.

The average number of children attending the Nursery in 2020 was 41 (2019: 64).

The Trustees are aware of the Charity Commission guidance on public benefit and their operation of the Nursery School reflects this in the following ways:

- a) The Nursery is a partner in the government's Early Years Foundation Stage Programme and parents of children in their pre-school year can obtain a grant to cover all of the cost of up to fifteen hours a week. This also includes funded two-year olds from referred families and the school works closely with the Council and with parents to help these children. The trustees have tightened up the arrangements for the 15 free hours, which must now be taken on two full days from 8.30am to 4pm.
- b) The Nursery supports the education and training of future childcare providers by the provision of work experience placements for students, school leavers and on occasion Duke of Edinburgh Award participants. It takes part in the government apprentice scheme administered by Cambridgeshire County Council and is still employing the apprentice they trained.
- c) Being mindful of its charitable status, the Nursery maintains its fees at as low a level as possible to cover its running costs. It does, however, have to compensate for the fact that the reimbursement it receives from the County Council for funded children does not by any means cover the costs of their nursery education. With this in mind the trustees decided not to embark on the Government's new scheme of providing 30 hours of free care. This year, however, the Principal has used her discretion to admit a few children on 30 free hours in consultation with the trustees. A hardship fund exists to help any parents who have unexpected financial difficulties and this can be used to provide extra free days for children who derive particular benefit from nursery education.
- d) The Trustees provide their professional skills and services as unpaid volunteers in order to retain fees at a minimum. They all visit the nursery on a regular basis and are available for consultation.
- e) The Nursery has always received children from many different nationalities whose parents are currently working or studying in Cambridge. It makes every effort to communicate with these children in their own language and to acknowledge various festivals from around the world as part of the curriculum.
- f) The Nursery has achieved an Eco School Silver Certificate for following environmentally friendly policies in the school and promoting their wider use in the community. It was also awarded the higher Green Flag status, the first nursery school in the area to achieve this. An Eco Committee of staff, trustees and parents continues to ensure that green policies are continued.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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g) The Nursery involves itself in the neighbouring community by attending meetings of the Residents' Association, inviting residents to attend special events and maintaining links with local establishments such as church, shops, schools, playgroups, the toddler group, children's centre and nature reserve. Some neighbours come in regularly to read to the children and to conduct other educational activities. These outside links have necessarily been restricted during the Covid crisis.

h) The Nursery has formed a link with Nakawa Pre-School in Livingstone, Zambia through the Chair of Trustees, whose son, Oliver Brendon, runs a charity (ATD Foundation) providing water and sanitation for Zambian schools. Oliver's team has taken out toys, books and clothes donated by parents and the nursery and we remain in communication with the pre-school.

## **ACHIEVEMENTS AND PERFORMANCE**

### **Review of activities**

The Nursery has had a difficult year because of the lockdown and continuing restrictions caused by the Covid-19 pandemic. This is reflected in the reduced numbers of children attending. At the beginning of the summer term six children of key workers were admitted and after half term, when restrictions were eased, more pupils were allowed to return under strict health and safety rules. The trustees were confident that the same high standard of care and education was offered to children during the whole of this term. We initially used the furlough system for six members of staff, while the Principal, Deputy, Administrator and one early-years educator were kept on the normal pay-roll. The Principal was shielding and working from home, where she maintained regular contact with all the staff and parents, as well as developing means of communication with children in their homes. After half-term one more member of staff came back to work.

Its policy of free choice between indoor and outdoor play makes full use of the secluded natural garden and covered area which is used for a wide range of activities. Since the Covid outbreak the children have spent nearly all of their time in the garden, only going inside when the noise from the building work on the King's College site next door to the nursery became too loud. The Chair of Trustees (who lives next door to the nursery) also allowed the staff and children to use her garden on occasion during the summer term.

Staff and children continued to make full use of the Anniversary Garden with its imaginative planting, a raised walkway and treehouse and many other new features – all making use of natural materials and giving a woodland feel. Forest School activities are being developed by a member of staff who has completed the Forest School training. The Chair of Trustees has provided space in her garden for Forest School activities. Several trustees and parents gave their time during the year to help maintain the garden which is much loved by the children and one has offered to plant trees along our border to compensate for the felling of all the trees on the neighbouring King's development site.

A neighbour and former parent conducts a weekly story-telling session at the nursery. He and the chair of trustees with her husband also perform puppet plays to the children on a regular basis. Current parents also come in on a voluntary basis to talk about their work or hobbies. They also help with fund raising at events such as the Carol Concert and the Teddy Bears' Picnic. Since March 2020, however, these activities have had to be suspended.

The Summer Club is usually run for a two-week period after the close of the summer term, subject to demand. We ensure that it is financially viable and generates a small surplus towards general running costs. This was not offered in 2020 because of problems associated with the pandemic.

A high proportion of the staff are engaged in further professional training. The Principal and the Deputy Principal have BA honours degrees and Early Years Professional Status. The trustees have agreed to finance the Deputy Principal on a part-time MA course with the University of East London from 2020 to 2022.

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**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**Organisation**

Throughout the period of the Financial Statements the day to day affairs of the nursery school were run by Mrs Mary Field who has been the School Principal from 1 September 2004.

The Management team consisted of the Principal and Deputy Principal.

**Inspections**

The Nursery School received an inspection by Ofsted in December 2014. The outcome was extremely favourable and the report awarded "Outstanding" status in all areas of the school's work. The school was re-inspected in February 2020. All the educational aspects of the school (quality of education, behaviour and attitudes, personal development) were again put in the 'Outstanding' category and the Principal's management was described as exceptional. However, the process of notifying Ofsted of new trustees (which is the responsibility of the Chair of Trustees) was found to be faulty and the overall grading was therefore reduced to 'Requires Improvement'. The Chair of Trustees quickly remedied the notification procedures but Ofsted refuses to make any change to the nursery's status until there has been another full inspection (promised before February 2021). The Local Authority has interviewed the Principal and Chair of Trustees and is satisfied that the school is following the correct procedures.

**Premises**

The Charity occupies premises known as Millington Road Nursery School owned by the Provost and Scholars of King's College, Cambridge. Until 28 September 2002, the premises were occupied at a peppercorn rent. A new 10-year lease was negotiated, which involved the raising of the rent in stages to reach £18,000 by 2020. WE are very grateful to the College for agreeing to defer the last rent rise to 2022, thus making an in-kind donation to help the school weather the present crisis.

The Trustees and management team have worked closely with King's College and their agents regarding plans to develop land adjoining the nursery, ensuring that the needs of the nursery are taken into consideration. This building work began in the summer and we have liaised frequently with the Clerk of Works to ensure that the children's health, safety and well-being are not endangered by noise and dust. The College has promised to erect a protective fence along the boundary (but this has not yet been done) and to reserve the noisiest work for the school holidays.

**Going Concern**

The trustees are urgently considering how to avoid the loss predicted for this coming year. They are looking at attracting more pupils to the school eg longer terms and/or days, more publicity, contacts with primary schools and colleges and changes in the website. The school has already developed a virtual tour to replace the visits normally made by prospective parents and this has proved very effective so that several families have joined the nursery since the beginning of the current term. Trustees will also look carefully at staffing numbers and working hours. Three more staff have come out of furlough since the beginning of the autumn term but not all are working their normal hours.

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**FINANCIAL REVIEW**

As stated above this has been a problematic year for the nursery. The Trustees maintained a level of fees for the year which they hoped would cover the estimated expenditure but did not foresee the closure and subsequent restricted numbers imposed by the pandemic. Because the Trustees decided that it would be morally wrong (and possibly illegal) to charge parents for services we could not provide for such young children in the circumstances of lockdown no fees were charged to parents whose children did not attend in the summer term. The Trustees and management team closely monitored the budget throughout the year and put on hold the building work planned for the summer holidays. They also made use of the government's furlough scheme, as explained above. The trustees remain keen to ensure that children of low-income families can be accommodated at the nursery and can benefit fully from the excellent care and education provided. The board welcomes applications from parents and these are considered on a case by case basis by a sub-committee of three trustees including the Chair and Treasurer. Bursaries are awarded from the Hardship Fund, created several years ago for this purpose. One grant was awarded in this financial year. Normal operations resulted in a deficit of £32,584 (2019 deficit of £17,941) with income for the year of £204,115 (2019 £242,282). The loss was due to slightly lower numbers in the earlier part of the year, to the high proportion of funded children, whose costs are not fully covered by the County Council, and to the closure and reduced numbers during the summer term. Total funds at the year end were £188,156 (2019 £220,740).

**Reserves Policy**

Our reserves are made up of both restricted and unrestricted funds. Our restricted funds must be spent in accordance with funders' criteria and within agreed timescales. This is carefully monitored and reported on regularly to funders.

We believe it is prudent to hold a level of unrestricted reserves that will support the charity during periods of uncertainty and any exceptional circumstances where additional financial support is needed. This year has proved the wisdom of this policy as we have had to dip into our reserves to cope with closure and reduced numbers.

Any surplus achieved in the year will be added to these reserves. Included are designated reserves created specifically for redundancy and other contractual commitments in the event of closing down; a hardship fund (previously known as the bursary fund) to help parents with unexpected financial difficulties and a maintenance fund to enable any large scale repairs or replacement equipment.

Free reserves allow for any unexpected drop in income or cash flow problems such as have occurred this year. As at 31 August 2020 the Charity had free reserves (unrestricted funds excluding fixed assets and designations) of £35,846. The Trustees consider that an ideal figure for free reserves, (taking into account the amounts already designated for specific purposes) would be £40,000 and will be seeking to increase their reserves to this level through fundraising in the current and future years.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

The Charity is registered as a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 15 February 2005, amended by a special resolution dated 25 March 2007. Charitable status was obtained on 7 February 2008. The assets and activities of the charity known as The Millington Road Nursery School Trust (charity registration number 300373) were transferred to the new incorporated charity on 31 August 2008.

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**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
(A Company Limited by Guarantee)

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**TRUSTEES' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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The Trustees (and their areas of expertise) who served during the year were:-

Mrs Vyvyan Brendon (Chairperson)  
Ms Sarah Wells (Treasurer) (resigned 5 May 2020)  
Mr James Spriggs (Property Development) (resigned 16 June 2020)  
Ms Rachel Edwards (Human Resources and from April 2020 Company Secretary) (resigned 13 February 2020, re-appointed 2 March 2020)  
Mrs Jane Plows (Education) (resigned 13 February, re-appointed 2 March 2020)  
Dr Ronojoy Adhikari (King's College nominee appointed 2 March 2020, resigned 17 April 2020)  
Ms Clare Sage (Treasurer from May 2020) (appointed 23 March 2020)  
Ms Eleanor Riley (from May 2020)  
Ms Cecilia Prichard Jones (appointed 9 July 2020)  
Dr Mathieu Candea (resigned 30 September 2019)

The board of Trustees endeavour to appoint Trustees who will provide valuable and practical skills for the Charity. All current Trustees are parents or former parents/grandparents of children at the school.

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

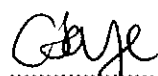
The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charity and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102)
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 adequate accounting records that are sufficient to show and explain the Charity's transactions and 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 Companies Act 2006. 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 members of the board of Trustees and signed on its behalf by:



Clare Sage  
Treasurer



Vyvyan Brendon  
Chair

Date:

11/02/21



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**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
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**INDEPENDENT EXAMINER'S REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MILLINGTON ROAD NURSERY SCHOOL TRUST ('the Charity')**

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 August 2020.

**RESPONSIBILITIES AND BASIS OF REPORT**

As the Trustees of the Charity (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Charity are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the Charity's accounts carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

**INDEPENDENT EXAMINER'S STATEMENT**

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

1. accounting records were not kept in respect of the Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act 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; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: *Judith Coplowe*

Dated: 13 April 2021

Mrs J Coplowe FCA

For and on behalf of  
Peters Elworthy & Moore  
Chartered Accountants Cambridge

**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
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**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
<b>INCOME FROM:</b>					
Donations and grants	2	1,900	3,850	5,750	2,470
Charitable activities	5	-	168,129	168,129	238,820
Other trading activities	3	134	334	468	782
Investments	4	-	322	322	210
Other income	6	-	29,446	29,446	-
<b>TOTAL INCOME</b>		<b>2,034</b>	<b>202,081</b>	<b>204,115</b>	<b>242,282</b>
<b>EXPENDITURE ON:</b>					
Charitable activities	7	2,034	234,665	236,699	260,223
<b>TOTAL EXPENDITURE</b>		<b>2,034</b>	<b>234,665</b>	<b>236,699</b>	<b>260,223</b>
<b>NET (EXPENDITURE) AND NET MOVEMENT IN FUNDS</b>		<b>-</b>	<b>(32,584)</b>	<b>(32,584)</b>	<b>(17,941)</b>
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		3,254	217,486	220,740	238,681
Net movement in funds		-	(32,584)	(32,584)	(17,941)
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>3,254</b>	<b>184,902</b>	<b>188,156</b>	<b>220,740</b>

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 10 to 23 form part of these financial statements.

**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
**(A Company Limited by Guarantee)**  
**REGISTERED NUMBER: 05364793**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2020**

	Note	2020 £	2019 £
<b>FIXED ASSETS</b>			
Tangible assets	9	<u>7,580</u>	<u>4,215</u>
		<b>7,580</b>	<b>4,215</b>
<b>CURRENT ASSETS</b>			
Debtors	10	32,177	22,350
Cash at bank and in hand		<u>210,015</u>	<u>256,832</u>
		<b>242,192</b>	<b>279,182</b>
Creditors: amounts falling due within one year	11	<u>(61,616)</u>	<u>(62,657)</u>
<b>NET CURRENT ASSETS</b>		<b>180,576</b>	<b>216,525</b>
<b>TOTAL NET ASSETS</b>		<b>188,156</b>	<b>220,740</b>
<b>CHARITY FUNDS</b>			
Restricted funds	12	3,254	3,254
Unrestricted funds	12	<u>184,902</u>	<u>217,486</u>
<b>TOTAL FUNDS</b>		<b>188,156</b>	<b>220,740</b>


The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

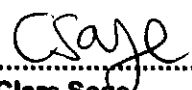
The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

  
.....  
**Mrs Vyvyan Brendon**  
Chair  
Date: 11/02/2021

  
.....  
**Ms Clare Sage**  
Treasurer

The notes on pages 10 to 23 form part of these financial statements.

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**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements 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) (second edition of the Charities SORP (FRS102) October 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Millington Road Nursery School Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

There were no significant estimates or judgements made by management in preparing these financial statements.

**1.2 GOING CONCERN**

The Trustees have reviewed the financial position of the Charity, including the impact of Covid-19 and have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Accordingly, the financial statements continue to be prepared on the going concern basis.

**1.3 COMPANY STATUS**

The Charity is a company limited by guarantee. The members of the Charity are the Trustees named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

**1.4 FUND ACCOUNTING**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**1.5 INCOME**

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Parent and third party fees are recognised in the period to which they relate, with any fees received in advance being deferred.

Donations are recognised in the period in which they are received.

Grants are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a grant is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

Income received under the Coronavirus Job Retention Scheme is matched to the salary costs that have been incurred in the period. Income and expenditure are shown separately and are not netted off.

**1.6 EXPENDITURE**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, 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 classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Support costs including governance costs are those costs incurred directly in support of expenditure on the objects of the Charity and include overheads incurred in the running of the Nursery. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

All expenditure is inclusive of irrecoverable VAT.

**1.7 PENSIONS**

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

**1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

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**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION (CONTINUED)**

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures and fittings	-	20.0% reducing balance
Leasehold property	-	12.5% straight line

**1.9 DEBTORS**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**1.10 CASH AT BANK AND IN HAND**

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.11 LIABILITIES AND PROVISIONS**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

**1.12 FINANCIAL INSTRUMENTS**

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**2. INCOME FROM DONATIONS AND GRANTS**

	<b>Restricted funds 2020 £</b>	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Donations	-	3,850	3,850	570
Grants	1,900	-	1,900	1,900
	<u>1,900</u>	<u>3,850</u>	<u>5,750</u>	<u>2,470</u>
<b>TOTAL 2019</b>	<u>1,900</u>	<u>570</u>	<u>2,470</u>	

Included within donations is an in-kind donation of £3,750 from King's College, who waived the rent for one quarter of 2020.

**3. FUNDRAISING INCOME**

**Income from fundraising events**

	<b>Restricted funds 2020 £</b>	<b>Unrestricted funds 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Fundraising	134	334	468	782
	<u>73</u>	<u>709</u>	<u>782</u>	
<b>TOTAL 2019</b>	<u>73</u>	<u>709</u>	<u>782</u>	

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**NOTES TO THE FINANCIAL STATEMENTS  
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**4. INVESTMENT INCOME**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Interest Received	322	322	210
<b>TOTAL 2019</b>	<b>210</b>	<b>210</b>	

**5. INCOME FROM CHARITABLE ACTIVITIES**

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Fees Received (from Parents)	88,296	88,296	146,951
Funding towards fees	79,833	79,833	91,869
<b>TOTAL 2020</b>	<b>168,129</b>	<b>168,129</b>	<b>238,820</b>
<b>TOTAL 2019</b>	<b>238,820</b>	<b>238,820</b>	

**6. OTHER INCOME**

	2020 £	2019 £
Coronavirus Job Retention scheme	29,446	-
	<b>29,446</b>	<b>-</b>

This income relates to the Job Retention Scheme for furloughed employees. This was spent on staff wages and salaries.



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**7. ANALYSIS OF EXPENDITURE BY ACTIVITIES**

	<b>Activities undertaken directly 2020 £</b>	<b>Support costs 2020 £</b>	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Charitable Activities	136,822	99,877	236,699	260,223
<b>TOTAL 2019</b>	<b>163,146</b>	<b>97,077</b>	<b>260,223</b>	

**Analysis of direct costs**

	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Staff costs	130,337	149,483
Supplies and consumables	1,351	1,063
General suppliers and play equipment	3,788	2,945
Bursaries granted	818	-
Marketing and website	-	6,300
Training costs	210	2,435
Child development costs	318	920
	<b>136,822</b>	<b>163,146</b>

In 2019, direct costs of £3,492 were met from restricted funds.

Included above is £2,034 of expenditure, which has been met from restricted funds.

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**7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)**

**Analysis of support costs**

	<b>Total funds 2020 £</b>	<b>Total funds 2019 £</b>
Staff costs	48,702	48,003
Accountancy fee (governance)	2,645	2,219
Independent examiners fees (governance)	595	575
Legal and professional fees (governance)	968	2,838
Rent	15,567	10,311
Rates, water and insurance	3,465	3,924
Light and heat	2,238	2,179
Repairs and maintenance	5,679	4,408
Depreciation	1,061	962
Cleaning (contractors, materials)	5,074	5,728
Waste collection and landfill	789	1,462
Payroll fees (governance)	512	637
Telephone, postage, stationery and advertising	4,465	3,527
Computer software and support	1,178	1,159
Travel and subsistence	639	1,275
Recruitment and temporary staff	-	680
Bookkeeping	6,300	7,192
	<b>99,877</b>	<b>97,077</b>

In 2019, all of the support and governance costs were met from unrestricted funds.

**8. STAFF COSTS**

	<b>2020 £</b>	<b>2019 £</b>
Wages and salaries	162,330	180,321
Social security costs	6,053	8,192
Contribution to defined contribution pension schemes	10,656	8,973
	<b>179,039</b>	<b>197,486</b>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**8. STAFF COSTS (CONTINUED)**

The average number of persons employed (including those on furlough) by the Charity during the year was as follows:

	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
Nursery staff	8	9
Administrative staff	2	2
	<u>10</u>	<u>11</u>

The average headcount expressed as full-time equivalents was:

	<b>2020</b>	<b>2019</b>
	<b>No.</b>	<b>No.</b>
Nursery staff	4	4
Administrative staff	1	1
	<u>5</u>	<u>5</u>

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charity comprise the Trustees and the Principal and Deputy Principal. The Trustees all give their time and expertise without any kind of remuneration or other benefit in kind (2019: £Nil).

During the year, no Trustees received any reimbursement of expenses or had expenses paid directly to a third party on their behalf (2019 - £NIL).

The total employment benefits of key management personnel including pension contributions and employers' national insurance was £72,181 (2019: £68,321).

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**9. TANGIBLE FIXED ASSETS**

	Leasehold property £	Fixtures and fittings £	Total £
<b>COST OR VALUATION</b>			
At 1 September 2019	15,109	13,500	28,609
Additions	4,233	193	4,426
At 31 August 2020	<u>19,342</u>	<u>13,693</u>	<u>33,035</u>
<b>DEPRECIATION</b>			
At 1 September 2019	15,109	9,285	24,394
Charge for the year	265	796	1,061
At 31 August 2020	<u>15,374</u>	<u>10,081</u>	<u>25,455</u>
<b>NET BOOK VALUE</b>			
At 31 August 2020	<u>3,968</u>	<u>3,612</u>	<u>7,580</u>
At 31 August 2019	<u>-</u>	<u>4,215</u>	<u>4,215</u>

**10. DEBTORS**

	2020 £	2019 £
<b>DUE WITHIN ONE YEAR</b>		
Trade debtors	24,884	19,167
Other loans	-	200
Prepayments and accrued income	7,293	2,983
	<u>32,177</u>	<u>22,350</u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2020**

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**11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>1,639</b>	<b>2,021</b>
Other taxation and social security	<b>484</b>	<b>2,584</b>
Other creditors	<b>18,202</b>	<b>14,203</b>
Accruals and deferred income	<b>41,291</b>	<b>43,849</b>
	<b>61,616</b>	<b>62,657</b>
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 September 2019	<b>34,601</b>	<b>22,157</b>
Resources deferred during the year	<b>38,471</b>	<b>34,601</b>
Amounts released from previous periods	<b>(34,601)</b>	<b>(22,157)</b>
	<b>38,471</b>	<b>34,601</b>

Deferred income in 2019 and 2020 relates to nursery school fees received in advance.

**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2020**

**12. STATEMENT OF FUNDS**

**STATEMENT OF FUNDS - CURRENT YEAR**

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
<b>UNRESTRICTED FUNDS</b>				
<b>DESIGNATED FUNDS</b>				
Children's fund	6,000	-	(3,027)	2,973
Maintenance fund	6,000	-	(5,679)	321
Building improvement fund	77,000	-	-	77,000
Contractual commitments fund	50,000	-	-	50,000
Hardship fund	12,000	-	(818)	11,182
	<u>151,000</u>	<u>-</u>	<u>(9,524)</u>	<u>141,476</u>
<b>GENERAL FUNDS</b>				
General Funds - all funds	66,486	202,081	(225,141)	43,426
	<u>217,486</u>	<u>202,081</u>	<u>(234,665)</u>	<u>184,902</u>
<b>RESTRICTED FUNDS</b>				
Training fund	3,254	1,900	(1,900)	3,254
Milk Fund	-	134	(134)	-
	<u>3,254</u>	<u>2,034</u>	<u>(2,034)</u>	<u>3,254</u>
<b>TOTAL OF FUNDS</b>	<u><u>220,740</u></u>	<u><u>204,115</u></u>	<u><u>(236,699)</u></u>	<u><u>188,156</u></u>

**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
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FOR THE YEAR ENDED 31 AUGUST 2020**

**12. STATEMENT OF FUNDS (CONTINUED)**

**STATEMENT OF FUNDS - PRIOR YEAR**

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 August 2019 £
<b>UNRESTRICTED FUNDS</b>					
<b>DESIGNATED FUNDS</b>					
Children's fund	6,000	-	(2,822)	2,822	6,000
Maintenance fund	10,000	-	(4,408)	408	6,000
Building improvement fund	60,000	-	(1,338)	18,338	77,000
Contractual commitments fund	50,000	-	-	-	50,000
Hardship fund	12,000	-	-	-	12,000
	<u>138,000</u>	<u>-</u>	<u>(8,568)</u>	<u>21,568</u>	<u>151,000</u>
<b>GENERAL FUNDS</b>					
General Funds - all funds	<u>95,908</u>	<u>240,309</u>	<u>(248,163)</u>	<u>(21,568)</u>	<u>66,486</u>
<b>TOTAL UNRESTRICTED FUNDS</b>	<u>233,908</u>	<u>240,309</u>	<u>(256,731)</u>	<u>-</u>	<u>217,486</u>
<b>RESTRICTED FUNDS</b>					
Training fund	4,773	1,900	(3,419)	-	3,254
Milk Fund	-	73	(73)	-	-
	<u>4,773</u>	<u>1,973</u>	<u>(3,492)</u>	<u>-</u>	<u>3,254</u>
<b>TOTAL OF FUNDS</b>	<u>238,681</u>	<u>242,282</u>	<u>(260,223)</u>	<u>-</u>	<u>220,740</u>

**THE MILLINGTON ROAD NURSERY SCHOOL TRUST**  
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**STATEMENT OF FUNDS - PRIOR YEAR (CONTINUED)**

Purpose of funds:

The designated funds represent sums set aside by the Trustees for the following purposes:

- Children's fund. To purchase goods and services that will directly benefit the Nursery children
- Maintenance of the Nursery School premises
- To provide for future building improvements
- To cover for notice on contractual commitments including lease, employment and supplies
- To provide one-off support to parents in financial difficulty

The Training fund is a restricted fund to be spent on staff training costs and the Milk fund represents money to be spent on providing milk at the Nursery.

Where expenditure from a designated or restricted fund exceeds the sum of the balance brought forward and the income recognised, transfers are made from the General Fund (unrestricted) to cover the excess

**13. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD**

	Restricted funds 2020 £	Unrestricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	7,580	7,580
Current assets	3,254	238,938	242,192
Creditors due within one year	-	(61,616)	(61,616)
<b>TOTAL</b>	<b>3,254</b>	<b>184,902</b>	<b>188,156</b>

**ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD**

	Restricted funds 2019 £	Unrestricted funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	4,215	4,215
Current assets	3,254	275,928	279,182
Creditors due within one year	-	(62,657)	(62,657)
<b>TOTAL</b>	<b>3,254</b>	<b>217,486</b>	<b>220,740</b>



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**14. PENSION COMMITMENTS**

The Charity operates a defined contribution pension scheme for certain employees. The Pension cost charged to the Statement of Financial Activities during the year was £10,656 (2019: £8,973). At the balance sheet date there were outstanding contributions totalling £2,484 (2019: £2,085)

**15. OPERATING LEASE COMMITMENTS**

At 31 August 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Not later than 1 year	18,000	15,000
Later than 1 year and not later than 5 years	72,000	69,362
Later than 5 years	51,830	69,830
	<u>141,830</u>	<u>154,192</u>

**16. RELATED PARTY TRANSACTIONS**

There were no related party transactions during the year ended 31 August 2020.