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

UNAUDITED

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2021

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

CONTENTS

	Page
Reference and Administrative Details of the Charity, its Trustees and Advisers	1
Trustees' Report	2 - 7
Independent Examiner's Report	8 - 9
Statement of Financial Activities	10
Balance Sheet	11
Notes to the Financial Statements	12 - 25

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2021**

Trustees

Ms Clare Sage, Treasurer
Ms Rachel Edwards
Ms Jane Plows
Ms Cecilia Prichard Jones
Dr Julia Proctor
Mr Jonathan Pattinson
Ms Eleanor Riley
Ms Maria Mosher

**Company registered
number**

05364793

**Charity registered
number**

1122682

Registered office

4A Millington Road
CAMBRIDGE
CB3 9HB

Independent Examiner

Mrs K Bretherick FCA
Peters Elworthy & Moore
Salisbury House
Station Road
Cambridge
CB1 2LA

Bankers

HSBC
PO Box 85
City Office
Cambridge
CB2 3HZ

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

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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 2021. 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 2021 was 40 (2020:64; 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. When the number of children increase to sufficient levels, the Nursery will look to employ a new apprentice.

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. However, the Principal is able to use 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.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

g) The Nursery hopes to be able to again involve 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 hope to be able to come in regularly to read to the children and to conduct other educational activities as Covid restrictions ease.

h) The Nursery has formed a link with Nakawa Pre-School in Livingstone, Zambia through the previous 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.

i) The Nursery continues to look at new ways of encouraging children to join the nursery or increase their hours. The Trustees have invested in forest school training for a couple of the Early Years Practitioners and are looking at other ways such as Yoga or Dance sessions which would encourage uptake of less well-attended sessions.

ACHIEVEMENTS AND PERFORMANCE

Review of activities

The Covid-19 pandemic has made for a difficult time for the nursery sector. While nurseries were not required to close during the most recent lockdown, some families decided to keep their children out of childcare settings, reducing the number of children on the roll.

In normal times, the Nursery's 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. We expect to return to normal use of the building and garden in the coming academic year.

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. 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 planted trees along our border to compensate for the felling of all the trees on the neighbouring King's development site.

We hope in the coming academic year to be able to resume our normal patterns of engagement with our local community and parents. These usually include stories, songs and even a puppet show by neighbours and parents, visits to local playgrounds, local schools, the nature reserve and the church. We also hope to be able to re-start our annual fund raising at events such as the Nativity play at Christmas and the Teddy Bears' Picnic in the summer term.

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 Deputy Principal is participating in a part-time MA course with the University of East London from 2020 to 2022 which the Nursery has funded. We hope that another member of staff will soon participate in Forest School training, to support the staff member who is already qualified and leads the children in immensely popular and rewarding Forest School sessions.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

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.

The Management team work with and report to the Trustees of the Nursery. After many years of service to the Nursery, Vyvyen Brendon, the Chair of Trustees retired. Her knowledge and her expertise will be enormously missed. The Trustees are working together to divide the roles and responsibilities between them, and hope to appoint a new Chair of Trustees shortly.

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 refused to make any change to the nursery's status until there had been another full inspection. Sadly for the Nursery, this was delayed due to Covid pandemic.

However, the Trustees are pleased to report that the Nursery School received an inspection by Ofsted in September 2021, immediately after the period covered by this report and the outcome was extremely favourable. The report awarded was for "Outstanding" status in all areas of the school's work.

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. The College has, however, agreed to defer the last rent rise to 2022 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, in the desire to ensure that the needs of the nursery are taken into consideration. This building work began in summer 2020 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. We expect the work to conclude in summer 2022.

Going Concern

The Trustees are working together to consider how to avoid the loss predicted for this coming year. We have lengthened the school terms to bring them closer into line with the local schools, we are building our relationship with local schools and looking at other ways to increase and improve our publicity. Trustees will continue to monitor the number of children on the roll, staffing ratios and working hours.

The current Principal, Ms Mary Field, decided to resign and left her position effective December 2021 and has been replaced by Ms Lena Pimm.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

FINANCIAL REVIEW

The nursery achieved a profit of £14,998 in the financial year. This is a tentatively positive indication of the direction of travel following a number of challenging years for the nursery.

The Trustees maintained childcare fees for the year to minimise the impact of childcare on already hard-pressed families during the pandemic.

The impact of the COVID pandemic can be seen in our overall revenue levels for the year. During the national lockdown from January 2021 to March 2021 nurseries were able to continue operating for all children and we were very happy to do this with the necessary safety precautions. A significant number of families decided to defer or withdraw their child from the nursery during the lockdown period which resulted in revenue in the Spring term falling to £64,045. The Trustees and management team worked hard to increase attendance and revenue recovered well in the Summer Term.

The nursery increased expenditure in cleaning and invested in outdoor areas in order to make the nursery comfortable and support outdoor learning in the context of the COVID pandemic.

The nursery received £9,585 from the Job Retention Scheme and benefited from rates relief due to the pandemic.

The Trustees remain keen to ensure that children of low-income families can be accommodated at the nursery and can benefit 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.

The Trustees have a strong commitment to staff skills development in order to provide the highest levels of childcare and child development provision. The nursery invested £4,057 in staff learning and development within the year.

Overall, despite the challenge of the ongoing Covid pandemic the nursery was able to remain open and provide a COVID secure environment. Through the support of the Job Retention Schemes, a strong Summer Term and the movement of aged registration deposits of £7,123 to income, the nursery was able to return to profit.

Total funds at the year end were £203,154 (2020 £188,156).

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

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. 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. A general reserve allows for any unexpected drop in income or cash flow problems such as have occurred this year.

Free reserves allow for any unexpected drop in income or cash flow problems such as have occurred over the past couple of years. As at 31 August 2021 the Charity had free reserves (unrestricted funds excluding fixed assets and designations) of £55,882. The Trustees consider that an absolute minimum figure for free reserves, (taking into account the amounts already designated for specific purposes) would be £40,000. Although the actual reserves are higher than this figure, the budgeted result had predicted a loss and therefore the Trustees are keen to retain free reserves over and above their target level given the ongoing uncertainty of the current situation and lower than usual child numbers.

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.

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

Mrs Vyvyan Brendon (Chairperson) (resigned 16 July 2021)
Ms Rachel Edwards (Human Resources and from May 2020 Company Secretary)
Mrs Jane Plows (Education)
Ms Clare Sage (Treasurer)
Ms Eleanor Riley
Ms Cecilia Prichard Jones
Dr Julia Proctor (King's College nominee appointed 12 November 2020)
Ms Maria Mosher (appointed 17 December 2020)
Mr Jonathan Pattinson (appointed 28 January 2021)

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.

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

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

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 year. 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 their behalf by:

.....
Ms Clare Sage

Date: 27 January 2022

.....
Ms Maria Mosher

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

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

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 2021.

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

Since the Charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

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.

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

INDEPENDENT EXAMINER'S REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

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:

Dated: 21 February 2022

Mrs K Bretherick FCA

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

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

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2021**

	Note	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Donations and grants	2	1,650	4,075	5,725	5,750
Charitable activities	5	-	236,255	236,255	168,129
Other trading activities	3	-	7,118	7,118	468
Investments	4	-	5	5	322
Other income	6	-	9,585	9,585	29,446
TOTAL INCOME		1,650	257,038	258,688	204,115
EXPENDITURE ON:					
Charitable activities	7	1,650	242,040	243,690	236,699
TOTAL EXPENDITURE		1,650	242,040	243,690	236,699
NET INCOME/(EXPENDITURE) AND NET MOVEMENT IN FUNDS		-	14,998	14,998	(32,584)
RECONCILIATION OF FUNDS:					
Total funds brought forward		3,254	184,902	188,156	220,740
Net movement in funds		-	14,998	14,998	(32,584)
TOTAL FUNDS CARRIED FORWARD		3,254	199,900	203,154	188,156

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

The notes on pages 12 to 25 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 2021

	Note	2021 £	2020 £
FIXED ASSETS			
Tangible assets	9	6,401	7,580
		6,401	7,580
CURRENT ASSETS			
Debtors	10	39,151	32,177
Cash at bank and in hand		232,970	210,015
		272,121	242,192
Creditors: amounts falling due within one year	11	(75,368)	(61,616)
NET CURRENT ASSETS		196,753	180,576
TOTAL NET ASSETS		203,154	188,156
CHARITY FUNDS			
Restricted funds	12	3,254	3,254
Unrestricted funds	12	199,900	184,902
TOTAL FUNDS		203,154	188,156

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:

.....
Ms Clare Sage
Treasurer
Date: 27 January 2022

The notes on pages 12 to 25 form part of these financial statements.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 2021**

2. INCOME FROM DONATIONS AND GRANTS

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	-	4,075	4,075	3,850
Grants	1,650	-	1,650	1,900
	<u>1,650</u>	<u>4,075</u>	<u>5,725</u>	<u>5,750</u>
TOTAL 2020	<u>1,900</u>	<u>3,850</u>	<u>5,750</u>	

Included within donations is an in-kind donation of £3,000 from King's College, who waived the rent step-up until the end of the lease in 2022 and a waiver of rates by Cambridge City council of £763.

3. FUNDRAISING INCOME

Income from fundraising events

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fundraising	7,118	7,118	468
	<u>7,118</u>	<u>7,118</u>	<u>468</u>
TOTAL 2020	<u>468</u>	<u>468</u>	

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

4. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Interest Received	5	5	322
	<u>5</u>	<u>5</u>	
TOTAL 2020	322	322	
	<u>322</u>	<u>322</u>	

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Fees Received (from Parents)	166,517	166,517	88,296
Funding towards fees	69,738	69,738	79,833
	<u>236,255</u>	<u>236,255</u>	<u>168,129</u>
TOTAL 2021	236,255	236,255	168,129
	<u>236,255</u>	<u>236,255</u>	<u>168,129</u>
TOTAL 2020	168,129	168,129	
	<u>168,129</u>	<u>168,129</u>	

6. OTHER INCOMING RESOURCES

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Coronavirus Job Retention Scheme	9,585	9,585	29,446
	<u>9,585</u>	<u>9,585</u>	<u>29,446</u>
TOTAL 2020	29,446	29,446	
	<u>29,446</u>	<u>29,446</u>	

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Charitable Activities	136,650	107,040	243,690	236,699
	<u>136,650</u>	<u>107,040</u>	<u>243,690</u>	<u>236,699</u>
TOTAL 2020	136,822	99,877	236,699	
	<u>136,822</u>	<u>99,877</u>	<u>236,699</u>	

ANALYSIS OF DIRECT COSTS

	Total funds 2021 £	Total funds 2020 £
Staff costs	129,458	130,337
Supplies and consumables	389	1,351
General suppliers and play equipment	3,873	3,788
Bursaries granted	954	818
Training costs	1,836	210
Child development costs	140	318
	<u>136,650</u>	<u>136,822</u>

In 2021 direct costs of £1,650 (2020: £2,034) were met from restricted funds.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

7. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Total funds 2021 £	Total funds 2020 £
Staff costs	49,017	48,702
Accountancy fee (governance)	2,289	2,645
Independent examiners fees (governance)	615	595
Legal and professional fees (governance)	900	968
Rent	17,732	15,567
Rates, water and insurance	4,059	3,465
Light and heat	3,399	2,238
Repairs and maintenance	6,258	5,679
Depreciation	1,179	1,061
Cleaning (contractors, materials)	5,630	5,074
Waste collection and landfill	826	789
Payroll fees (governance)	591	512
Telephone, postage, stationery and advertising	3,815	4,465
Computer software and support	979	1,178
Travel and subsistence	2,226	639
Bookkeeping	7,525	6,300
	107,040	99,877

In 2021 and 2020, all of the support and governance costs were met from unrestricted funds.

8. STAFF COSTS

	2021 £	2020 £
Wages and salaries	162,403	162,330
Social security costs (net of employer allowance)	5,359	6,053
Contribution to defined contribution pension schemes	10,713	10,656
	178,475	179,039

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

8. STAFF COSTS (CONTINUED)

The average number of persons employed by the Charity during the year was as follows:

	2021	2020
	No.	No.
Nursery staff	9	8
Administrative staff	2	2
	11	10

The average headcount expressed as full-time equivalents was:

	2021	2020
	No.	No.
Nursery staff	4	4
Administrative staff	1	1
	5	5

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 (2020: £Nil).

During the year, no Trustees received any reimbursement of expenses or had expenses paid directly to a third party on their behalf (2020 - £NIL).

The total employment benefits of key management personnel including pension contributions and employers' national insurance was £72,081 (2020: £72,181).

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

9. TANGIBLE FIXED ASSETS

	Leasehold property £	Fixtures and fittings £	Total £
COST OR VALUATION			
At 1 September 2020	19,342	13,693	33,035
At 31 August 2021	19,342	13,693	33,035
DEPRECIATION			
At 1 September 2020	15,374	10,081	25,455
Charge for the year	650	529	1,179
At 31 August 2021	16,024	10,610	26,634
NET BOOK VALUE			
At 31 August 2021	3,318	3,083	6,401
At 31 August 2020	3,968	3,612	7,580

10. DEBTORS

	2021 £	2020 £
DUE WITHIN ONE YEAR		
Trade debtors	36,966	24,884
PAYE Debtor	37	-
Prepayments and accrued income	2,148	7,293
	39,151	32,177

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	1,727	1,639
Other taxation and social security	-	484
Other creditors (including deposits)	17,402	18,202
Accruals and deferred income	56,239	41,291
	75,368	61,616
	£	£
Deferred income at 1 September 2020	38,471	34,601
Resources deferred during the year	51,777	38,471
Amounts released from previous periods	(38,471)	(34,601)
	51,777	38,471

Deferred income in 2020 and 2021 relates to nursery school fees received in advance for the Autumn term.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 September 2020 £	Income £	Expenditure £	Balance at 31 August 2021 £
UNRESTRICTED FUNDS				
DESIGNATED FUNDS				
Children's fund	2,973	-	(1,251)	1,722
Maintenance fund	321	-	-	321
Building improvement fund	77,000	-	(1,654)	75,346
Contractual commitments fund	50,000	-	-	50,000
Hardship fund	11,182	-	(954)	10,228
	<u>141,476</u>	<u>-</u>	<u>(3,859)</u>	<u>137,617</u>
GENERAL FUNDS				
General Funds - all funds	<u>43,426</u>	<u>257,038</u>	<u>(238,181)</u>	<u>62,283</u>
TOTAL UNRESTRICTED FUNDS	<u>184,902</u>	<u>257,038</u>	<u>(242,040)</u>	<u>199,900</u>
RESTRICTED FUNDS				
Training fund	<u>3,254</u>	<u>1,650</u>	<u>(1,650)</u>	<u>3,254</u>
TOTAL OF FUNDS	<u><u>188,156</u></u>	<u><u>258,688</u></u>	<u><u>(243,690)</u></u>	<u><u>203,154</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

12. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2019 £	Income £	Expenditure £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS				
DESIGNATED FUNDS				
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>
GENERAL FUNDS				
General Funds - all funds	<u>66,486</u>	<u>202,081</u>	<u>(225,141)</u>	<u>43,426</u>
TOTAL UNRESTRICTED FUNDS	<u>217,486</u>	<u>202,081</u>	<u>(234,665)</u>	<u>184,902</u>
RESTRICTED FUNDS				
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>
TOTAL OF FUNDS	<u>220,740</u>	<u>204,115</u>	<u>(236,699)</u>	<u>188,156</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021**

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.

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 YEAR

	Restricted funds 2021 £	Unrestricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	-	6,401	6,401
Current assets	3,254	268,867	272,121
Creditors due within one year	-	(75,368)	(75,368)
TOTAL	3,254	199,900	203,154

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	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)
TOTAL	3,254	184,902	188,156

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2021

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 £10,713 (2020: £10,656). At the balance sheet date there were outstanding contributions totalling £3,172 (2020: £2,484)

15. OPERATING LEASE COMMITMENTS

At 31 August 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	2020
	£	£
Not later than 1 year	18,000	18,000
Later than 1 year and not later than 5 years	72,000	72,000
Later than 5 years	33,830	51,830
	123,830	141,830

16. RELATED PARTY TRANSACTIONS

There were no related party transactions during the current or prior year.