

Charity Registration No. 1136076

Company Registration No. 07137285 (England and Wales)

GROVE ROAD PRE-SCHOOL
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

GROVE ROAD PRE-SCHOOL

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mrs J Fitzgerald	
	Mrs KF Hussein	
	LJ Sackett	
	RL Sambrook	
	D Stringer	
	Miss L Lennie	(Appointed 16 October 2019)
	Mrs JL Gillett	(Appointed 16 October 2019)
	Ms LE Crofts	(Appointed 16 October 2019)
	Mrs KA Adams	(Appointed 20 October 2020)
	Mrs LA Donner	(Appointed 20 October 2020)
	Mrs JG Peoples	(Appointed 20 October 2020)
Secretary	Ms F Fitzpatrick	
Charity number	1136076	
Company number	07137285	
Principal address	Grove Road Rayleigh Essex SS6 8UA	
Registered office	Grove Road Pre-School Grove Road Rayleigh Essex SS6 8UA	
Independent examiner	Rickard Luckin Limited Suite 8 Phoenix House Basildon Essex SS14 3EZ Essex SS14 3EZ	
Bankers	HSBC Bank Plc 48 High Street Rayleigh Essex SS6 7JH	

GROVE ROAD PRE-SCHOOL

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GROVE ROAD PRE-SCHOOL

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees, who are also Directors for their time of office for the purposes of the Companies Act, have pleasure in presenting their report and unaudited financial statements of the charity for the year ended 31 August 2020.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's governing document, the Companies Act 2006 and "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)" (as amended for accounting periods commencing from 1 January 2016)

Objectives and activities

To enhance the development and education of children, primarily under statutory school age, by encouraging parents to understand and provide for the needs of their children through community groups by:

- Offering appropriate play, education and care facilities and training courses, together with the right of parents to take responsibility for, and to become involved in, the activities of such groups, ensuring that the groups offer opportunities for all children, whatever their race, culture, religion, means or ability.
- Encouraging the study of the needs of such children and their families and promoting public interest in and recognition of, such needs.
- Instigating, adhering to and furthering the aims and objective of the Pre-school Learning Alliance.

Public Benefit

Throughout the year the charity has operated with due regard to its objectives as stated above and the guidance issued by the Charity Commission on public benefit, with the provision of pre school facilities for children between the ages of two and a half and five within the local community.

The charity encourages the involvement of the wider community in various fundraising activities such as the Christmas Bazaar and the Easter Egg Hunt, however these events have had to be put on hold due to the restrictions in place as a result of the Covid-19 pandemic.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities they charity should undertake.

Achievements and performance

The charity was inspected by Ofsted on 21 January 2020, and received a rating of 'Good' in all areas.

The effects of the worldwide Covid-19 pandemic began impacting in the UK from March 2020. this has led to a significant shut-down of both social and economic activity in the UK and in many other countries around the globe.

This has significantly impacted on the charity's activities during the year, and resulted in the charity closing to all but the children of key workers during the lockdown period. Government funding has been ongoing throughout this period, and the charity has fully re-opened following the year end.

It is impossible to determine the impact of the pandemic on future activities of the charity.

Financial review

The charity has income for the year of £132,325 (2019: £124,679) and expenditure of £142,017 (2019: £135,266) resulting in a deficit of income over expenditure for the year of £9,692 (2019: £10,587).

Reserves Policy

The charity aims to retain reserves amounting to at least 3 month's expenditure, being £35,504 (2019: £33,817) based on current expenditure levels. Although results for this year have taken reserves to below that level at £2,700 (2019: £12,392), it is hoped that future activity will enable the charity to fulfil its aims.

GROVE ROAD PRE-SCHOOL

TRUSTEES' REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 AUGUST 2020

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

GROVE ROAD PRE-SCHOOL

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

Structure, governance and management

The charity is a company limited by guarantee and does not have share capital. On 24 May 2010 the charity registered with the Charity Commission. The charity registration number is 1136076 and the charity address is Grove Road Pre School, Grove Road, Rayleigh, Essex, SS6 8UA.

The Trustees who are also the directors for the purpose of company law, and who served during the year were:

Mrs SE Fernon	(Resigned 16 October 2019)
Mrs FM Carlyon	(Resigned 16 October 2019)
Mrs J Fitzgerald	
Mrs KF Hussein	
EL Birnie	(Resigned 16 October 2019)
J Brown	(Resigned 20 October 2020)
J Dunn	(Resigned 20 October 2020)
RA Fitz-Gibbon	(Resigned 20 October 2020)
LJ Sackett	
RL Sambrook	
D Stringer	
N Lupton	(Resigned 16 October 2019)
J O'shea	(Resigned 16 October 2019)
Mrs A Pearson	(Appointed 16 October 2019 and resigned 20 October 2020)
Miss L Lennie	(Appointed 16 October 2019)
Mrs JL Gillett	(Appointed 16 October 2019)
Mrs A Cleere	(Appointed 16 October 2019 and resigned 20 October 2020)
Mrs VE A Stephens	(Appointed 16 October 2019 and resigned 20 October 2020)
Miss GA Baldwin	(Appointed 16 October 2019 and resigned 20 October 2020)
Ms LE Crofts	(Appointed 16 October 2019)
Mrs J Nankivell	(Appointed 16 October 2019 and resigned 20 October 2020)
Mrs AJ L Coombs	(Appointed 16 October 2019 and resigned 20 October 2020)
Miss EJ Lambert	(Appointed 16 October 2019 and resigned 20 October 2020)
Mrs M Roberts	(Appointed 16 October 2019 and resigned 20 October 2020)
Mrs KA Adams	(Appointed 20 October 2020)
Mrs LA Donner	(Appointed 20 October 2020)
Mrs JG Peoples	(Appointed 20 October 2020)

New Trustees are appointed by the board of Trustees. All new Trustees are given the appropriate information upon induction and training as and when necessary.

None of the Trustees has any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Trustees' report was approved by the Board of Trustees.


RL Sambrook

Dated: 26-2-21.

GROVE ROAD PRE-SCHOOL

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2020

The Trustees, who are also the directors of Grove Road Pre-School for the purpose 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 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 charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that 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.

GROVE ROAD PRE-SCHOOL

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF GROVE ROAD PRE-SCHOOL

I report to the Trustees on my examination of the financial statements of Grove Road Pre-School (the charity) for the year ended 31 August 2020.

Responsibilities and basis of report

As the Trustees of the charity (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements 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 financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

This report is made solely to the charity's trustees, as a body, in accordance with section 145 of the Charities Act 2011. 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 this 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, for this report, or for the opinions I have formed.

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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.



Kate Bell FCA
Rickard Luckin Limited

Phoenix House, Suite 8
Christopher Martin Road
Basildon
Essex
SS14 3EZ

Dated: 4th March 2021

GROVE ROAD PRE-SCHOOL

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	Unrestricted funds 2020 £	Unrestricted funds 2019 £
<u>Income from:</u>			
Donations and legacies	3	2,243	4,172
Charitable activities	4	125,315	112,946
Fundraising activities	5	4,757	7,545
Investments	6	10	16
Total income		132,325	124,679
<u>Expenditure on:</u>			
Raising funds	7	2,391	4,121
Charitable activities	8	139,626	131,145
Total resources expended		142,017	135,266
Net expenditure for the year/ Net movement in funds		(9,692)	(10,587)
Fund balances at 1 September 2019		12,392	22,979
Fund balances at 31 August 2020		2,700	12,392

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

GROVE ROAD PRE-SCHOOL

BALANCE SHEET

AS AT 31 AUGUST 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Tangible assets	13		1,423		1,778
Current assets					
Stocks	14	475		506	
Debtors	15	283		453	
Cash at bank and in hand		22,397		33,367	
		23,155		34,326	
Creditors: amounts falling due within one year	16	(21,878)		(23,712)	
Net current assets			1,277		10,614
Total assets less current liabilities			2,700		12,392
Income funds					
Unrestricted funds			2,700		12,392
			2,700		12,392

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 August 2020.

The directors acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 26-2-21



RL Sambrook
Trustee

Company Registration No. 07137285

GROVE ROAD PRE-SCHOOL

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

1 Accounting policies

Charity information

Grove Road Pre-School is a private company limited by guarantee incorporated in England and Wales. The registered office is Grove Road Pre-School, Grove Road, Rayleigh, Essex, SS6 8UA.

1.1 Accounting convention

The accounts have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

At the date these financial statements have been approved, there are various restrictions in force across the UK due to the coronavirus pandemic.

The potential impact of COVID-19 on the charity's future operations remains uncertain, however government funding has been ongoing during the pandemic and the charity has continued to operate throughout. The charity is continuing to monitor its forecasts to ensure that the charity has sufficient funds to continue operating.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Donations are recognised where there is entitlement, receipt is probable and the amount can be measured with sufficient reliability.

Gifts in kind donated for use by the charity itself are included when received and, where material, at a value that the charity considers that they would have to pay to acquire them.

GROVE ROAD PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

1.5 Resources expended

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to that category.

Costs of generating funds are the costs associated with attracting voluntary income.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	20% reducing balance
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The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

GROVE ROAD PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Governance costs

Governance costs include costs of the preparation and examination of the statutory accounts, the costs of trustee meetings and the cost of any legal advice to trustees on governance or constitutional matters.

1.14 Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

GROVE ROAD PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Donations and gifts	2,243	4,172

4 Charitable activities

	Pre-school funding and fees	Pre-school funding and fees
	2020	2019
	£	£
Pre school funding and fees	124,972	112,946
Government grants	301	-
Other income	42	-
	125,315	112,946

5 Fundraising activities

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Activities for generating funds	4,757	7,545

6 Investments

	Unrestricted funds	Unrestricted funds
	2020	2019
	£	£
Interest receivable	10	16

GROVE ROAD PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

7 Raising funds

	Unrestricted funds	Total
	2020 £	2019 £
<u>Fundraising and publicity</u>		
Fundraising costs	611	530
Other fundraising costs	1,780	3,591
	<u>2,391</u>	<u>4,121</u>

8 Charitable activities

	Direct costs 2020 £	Direct costs 2019 £
Staff costs	112,398	101,460
Depreciation and impairment	355	444
Staff welfare and training	853	737
Establishment costs	4,205	5,213
Repairs and maintenance	325	270
Office expenses	147	317
Printing, postage and stationery	724	1,491
Subscriptions and donations	1,818	1,042
Educational and other equipment supplies	11,579	15,472
Sundry and other costs	2,959	816
Advertising and promotion	215	210
	<u>135,578</u>	<u>127,472</u>
Share of governance costs (see note 9)	4,048	3,673
	<u>139,626</u>	<u>131,145</u>

GROVE ROAD PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

9 Support costs

	Support costs £	Governance costs £	2020 £	Support costs £	Governance costs £	2019 £
Accountancy	-	4,048	4,048	-	3,673	3,673
	-	4,048	4,048	-	3,673	3,673
Analysed between Charitable activities	-	4,048	4,048	-	3,673	3,673

Governance costs includes payments to the accountants of £1,800 (2019- £1,740) for independent examination fees.

10 Trustees

No trustees received any remuneration during the year.

11 Employees

The average monthly number of employees during the year was:

	2020 Number	2019 Number
	18	12
Employment costs	2020 £	2019 £
Wages and salaries	111,782	101,125
Other pension costs	616	335
	112,398	101,460

12 Taxation

The company is a registered charity and is, therefore, exempt from taxation.

GROVE ROAD PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2020

13 Tangible fixed assets

Fixtures, fittings & equipment
£

Cost

At 1 September 2019 2,222

At 31 August 2020 2,222

Depreciation and impairment

At 1 September 2019 444

Depreciation charged in the year 355

At 31 August 2020 799

Carrying amount

At 31 August 2020 1,423

At 31 August 2019 1,778

14 Stocks

2020 2019
£ £

Raw materials and consumables 475 506

15 Debtors

2020 2019
£ £

Amounts falling due within one year:

Prepayments and accrued income 283 453

16 Creditors: amounts falling due within one year

Notes 2020 2019
£ £

Deferred income 17 19,344 21,065

Other creditors 92 103

Accruals and deferred income 2,442 2,544

21,878 23,712

GROVE ROAD PRE-SCHOOL

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2020

17 Deferred income

	2020 £	2019 £
Arising from Pre school funding and fees received in advance	19,344	21,065

18 Retirement benefit schemes

Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £616 (2019 - £335).

19 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2020 £	2019 £
Aggregate compensation	28,882	26,818