

Grove Road Pre-school  
Annual Report and Unaudited Financial Statements

For the year ended 31<sup>st</sup> August 2022

Charity Registration Number: 1136076

Company Registration Number: 07137285 (England and Wales)

## Grove Road Pre-school

### Legal and Administrative Information

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Trustees	RL Sambrook
	D Stringer
	H Souter
	C Lazarus (appointed 18 October 2022)
	C Aitken (appointed 18 October 2022)
	H Farrugia (appointed 18 October 2022)
	J Sloan (appointed 18 October 2022)
	K Kelly (appointed 18 October 2022)
	L Waldron (appointed 18 October 2022)
Secretary	RL Sambrook
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
Bankers	HSBC
	48 High Street
	Rayleigh    Essex
	SS6 7JH
Independent examiner	R Howard
	13 Little Bentley
	Basildon,    Essex
	SS14 2EJ

## Grove Road Pre-school

### Trustees' report (including Directors' report)

For the year ended 31 August 2022

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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 2022.

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 the recognition of, such needs.
- Instigating, adhering to and furthering the aims and objectives of the Early Years 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 Charities Commission on public benefit, with the provision of pre-school facilities for children between the ages of two and a half and five years within the local community.

The charity encourages the involvement of the wider community in various fundraising activities, such as the Christmas Bazaar and Easter Egg Hunt. These events have taken place, with some restrictions in place as a result of the Covid-19 pandemic.

The Trustees have paid due regard to guidance issued by the Charities Commission in deciding what activities the 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 impact of the worldwide Covid-19 pandemic is still being felt by the charity, as not all events could take place. It is impossible to determine how long the impact of the pandemic will have on the future of the charity.

#### **Financial review**

The charity has income for the year of £129,479 (2021: 127,462) and expenditure of £137,752 (2021: 132,544) resulting in a deficit of income over expenditure for the year of £8,273 (2021: £5,082).

### **Reserves Policy**

The charity aims to retain reserves amounting to at least 3 month's expenditure, being £34,437 (2021: £32,423) based on current expenditure levels. Although results for the last few years have been below this level. It is hoped that future activity will enable the charity to fulfil its aims. See note in 1.2 to the financial statements for an explanation of the planned activities to bring the reserves in line with this policy.

### **Small company provisions**

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

### **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 J Fitzgerald	(Resigned 18 October 2022)
Mrs KF Hussein	(Resigned 13 October 2021)
LJ Sackett	(Resigned 18 October 2022)
RL Sambrook	
D Stringer	
Miss H Souter	
Miss L Lennie	(Resigned 13 October 2021)
Mrs JL Gillett	(Resigned 13 October 2021)
Ms LE Crofts	(Resigned 13 October 2021)
Mrs KA Adams	(Appointed 13 October 2021 and resigned 18 October 2022)
EF Lebeter	(Appointed 13 October 2021 and resigned 18 October 2022)
H Beckwith	(Appointed 13 October 2021 and resigned 18 October 2022)
L McDermott	(Appointed 13 October 2021 and resigned 18 October 2022)

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.

*Daisy Stringer*

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D Stringer

Date .....24<sup>th</sup> April 2023.....

Grove Road Pre-school

## Statement of Trustees' Responsibilities

For the year ended 31 August 2022

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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

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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 2022.

### **Responsibilities and basis of report**

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

Having been satisfied that the financial statements of the charity are not required to be audited under Part 18 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of the charities financial statements carried out under section 145 of the Charities Act 2011.

This report is made to the charities trustees, in accordance with section 145 of the Charities Act 2011. The work has been undertaken to state to the charities trustees any matters required to state to them in this report and for no other purpose.

### **Independent examiner's statement – material uncertainty relating to going concern**

The examination has been completed. A matter of concern in the report has been identified and concurred with the material uncertainty the Trustees have highlighted relating to going concern and attention should be drawn to the disclosure in note 1.2 of the financial statements regarding the Trustees' going concern assessment.

There are no other matters in connection with the examination giving cause to believe that in any material respect:

- Accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- The financial statements do not accord with those records; or
- 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
- 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).

There are 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.

R Howard

Independent Examiner

13 Little Bentley

Basildon

Essex

SS14 2EJ

Dated: 6<sup>th</sup> April 2023



Grove Road Pre-school

Statement of financial Activities

Including Income and Expenditure Account

For the Year Ended 31 August 2022

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	Unrestricted	Unrestricted
	Funds £	Funds £
	2022	2021
<b>Income from:</b>		
Donations and legacies	1,749	1,590
Charitable activities	119,238	119,780
Fundraising activities	8,492	6,092
<b>Total Income</b>	<b>129,479</b>	<b>127,462</b>
<b>Expenditure on:</b>		
Raising funds	2,774	2,334
Charitable activities	134,978	130,210
<b>Total resources expended</b>	<b>137,752</b>	<b>132,544</b>
<b>Net expenditure for the year</b>	<b>(8,273)</b>	<b>(5,082)</b>
Fund balances at 1 September 2022	3,500	2,700
Fund balances at 31 August 2022	(4,773)	(2,382)
<b>Current assets</b>		
Stocks	480	545
Cash at bank and in hand		20,970

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.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended August 2022.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2008 with respect to accounting records and the preparation of financial statements.

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 statement was approved by the Trustees on .....24<sup>th</sup> April 2023.....

*Daisy Stringer*

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D Stringer

Trustee

Company Registration number: 07137285

Grove Road Pre-school

Notes for the financial statements

For the year ended 31 August 2022

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### **Accounting policies**

#### **Charity information**

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

#### **Accounting convention**

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

#### **Going concern**

These financial statements are prepared on the going concern basis. The Trustees have a reasonable expectation that the charity will continue in operational existence for the foreseeable future, however, the Trustees are aware of certain material uncertainties which may cause doubt on the charity's ability to continue as a going concern. The charity has been impacted by the amount of children that attend with additional needs. This requires these children to have a 1:1 with a member of staff, which has impacted the cost of salaries. Some fundraising events were impacted by not being able to go ahead at the correct time of year, with refunds having to be given and plans changed for other events. The charity was also impacted by a bereavement of a child that attended the charity. The charity set up a memorial garden for the children, with promises of funds and donations not being received by the community that had promised to support the garden. The charity also had to purchase new CCTV at the cost of £1,000, as it connects in with the other CCTV used on the site.

As at 31 August 2022 the charities liabilities exceeds it assets by £4,773. The Trustees have a reasonable expectation that the charity will be able to continue to meet its liabilities for at least the next 12 months and is taking the following steps to improve the financial position:

Fees charged to the parents have been increased

Local authority funding per pupil has been increased, with a further increase expected.

More fundraising events have been planned.

The charity is changing the times of operation, to allow more children to attend full day sessions, therefore being able to charge for lunch club and breakfast club.

There is a waiting list for places at the pre-school, and therefore it is expected to be at full capacity going forward.

For these reasons the Trustees consider the going concern basis to be appropriate.

**Charitable funds**

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

**Incoming resources**

Income is recognised when the charity is legally entitled to it 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.

**Resources expended**

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. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

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.

Grove Road Pre-school

Notes for the financial statements (continued)

For the year ended 31 August 2022

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<b>Donations and legacies</b>	<b>2022</b>	<b>2021</b>
Donations	1,749	1,590
<b>Charitable activities</b>		
Pre-school funding and fees	113,730	119,701
Government Grants	4,008	-
Other income	1,500	79
	<b>119,238</b>	<b>119,780</b>
<b>Fundraising activities</b>		
Activities for generating funds	8,492	6,092
<b>Total</b>	<b>129,478</b>	<b>127,462</b>

Grove Road Pre-school

Notes to the financial statements (continued)

For the year ended 31 August 2022

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<b>Raising funds</b>	<b>2022</b>	<b>2021</b>
Fundraising costs	1,237	272
Other fundraising costs	2,774	2,062
Staff costs	109,913	104,866
Staff welfare and training	929	300
Establishment costs	829	1,616
Repairs and maintenance	2,451	439
Office expenses	5,339	1,174
Subscriptions and donations	1,957	1,449
Educational & other equipment supplies	9,138	13,666
Sundry and other costs	3,000	2,320
Advertising and promotion	185	185
<b>Totals</b>	<b>137,752</b>	<b>128,349</b>

Fundraising costs includes uniform

Staff welfare includes training and staff well-being

Establishment costs include rent, council tax

Repairs and maintenance includes electricity

Office expenses includes ink and postage

Subscriptions includes magazines and licences

Educational & other supplies includes snack, other costs and equipment

Sundry and other costs includes petty cash, bank charges and other costs