



The Aldershot Garrison Pre-School Settings
(A company limited by guarantee)

Report and Financial Statements

31 August 2020

Charity number 1146542
Company number 07916241

CHARITY COMMISSION
FIRST CONTACT

30 MAR 2021

ACCOUNTS
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**The Aldershot Garrison Pre-School Settings
Report and accounts
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The Aldershot Garrison Pre-School Settings

Registered number: 07916241

Trustees' Report

The trustees are pleased to present their annual trustees' report and financial statements for the charitable company for the year ended 31 August 2020 which are also prepared to meet the requirements for a directors' report and financial statements for Companies Act purposes.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS) applicable in the UK and Republic of Ireland (as applied to small entities by section 1A of FRS 102).

Reference and Administrative Information

Charity name

The Aldershot Garrison Pre-School Settings

The charity also used the following working names:

Toye Box Early Years Centre

Quetta Park Pre-School

Queen Mary Nursery

Clocktower House Pre-School

Charity Registration Number

1146542

Company Registration Number

07916241

Registered Office

27 Middle Hill

Aldershot

Hampshire

GU11 1PL

Operational Address

The Aldershot Garrison Pre-Schools Settings

Toye Box Early Years Centre, Middle Hill

Aldershot

Hampshire

GU11 1PL

Auditors

Keith Graham, Chartered Accountants

Suite 2, Wesley Chambers

Queens Road

Aldershot

Hampshire

GU11 3JD

Bankers

The Royal Bank of Scotland Plc (Military Banking)

Lawrie House, Victoria Road

Farnborough

Hampshire

GU14 7NR

The Aldershot Garrison Pre-School Settings

Registered number: 07916241

Trustees' Report

Trustees and directors

The following persons served as trustees (and also as directors for the purposes of company law) during the year and since the year end:

Mrs N McConnell (appointed 19 March 2020)
Garrison Staff Officer and Chairman of the Trustees

Mrs S Stephenson (appointed 19 March 2020)
Senior Community Development Worker, Army Welfare Service

Mr NF Pound (resigned 13 January 2021)
Garrison Staff Officer, Headquarters Aldershot Garrison and Chairman of the Trustees

Mr R Megarry
Formerly Officer in Charge Aldershot Garrison Pay and Documentation Office, appointed as an ex-officio trustee on his retirement

Ms C P Willett (resigned 31 March 2020)
Operations Manager, Aldershot Garrison Pre-School Settings

Mrs K Bayliss
Staff Officer, Welfare, Health and Wellbeing

Mrs J Mounfield (resigned 14 October 2020)
Regional Manager, Army Families Federation

Mrs L Brown (appointed 5 October 2020)
Parent trustee

Mr D A Betts (appointed 27 November 2020)
Garrison Chaplain

Dr C Cuccio (appointed 19th January 2021)
GP Doctor

Mr B White (appointed 22 January 2021)
Parent Trustee

Key management and other senior personnel

Mrs J Mounfield – Executive Manager
Mrs D Newbury - Queen Mary's Nursery Manager
Mrs K McCulloch- Quetta Park Pre-School Manager
Mrs S Carrington - Toye Box Pre-School Manager
Mrs K Murphy - Clocktower House Pre-School Manager
Mr M Dennett - Finance Officer

Structure, Governance and Management

Governing Document

The organisation is a limited company, limited by guarantee and holding charitable status.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

The Aldershot Garrison Pre-School Settings
Registered number: 07916241
Trustees' Report

Achievements, performance and financial review

The 2019/2020 academic year has been unprecedented. The year started off much as we expected and progressed as normal with children joining us, others leaving as parents were posted and more children being added to waiting lists.

At Queen Marys Nursery, demand for places continued to grow but we found that we could not accept as many children as we wished due to lack of staff and the requirement to maintain staff:children ratios.

Fee and Funding income in the seven months to March 2020 were substantially up on the same period last year.

COVID 19 pandemic

The outbreak of the Covid 19 pandemic and the subsequent lock down saw everything change literally overnight. From 16 March 2020 the number of children attending all settings decreased rapidly. The government indicated that childcare provision should be available to the children of key workers and we did anticipate that we would continue to offer care, certainly to army families. However, this did not prove to be the case as parents chose to change their working patterns in order to keep children at home.

In a fast moving situation, the trustees decided to close Toye Box, Clocktower and Quetta Park and keep Queen Marys open. All children from all settings were offered the option of attending Queen Mary's which was manned by the four setting managers and four practitioners working different days.

By Easter it had become clear that demand for childcare was minimal and the Nursery was closed.

The majority of staff were furloughed under the government scheme and during this national lockdown period, staff whilst not allowed to work, could undertake training. During this time access to Noodle Now, an online training platform came into its own with staff being asked to complete a range of mandatory courses.

All settings re-opened on 15 June to parents who wished their children to return. In accordance with new government guidelines, new and radical working arrangements were employed. Children were accommodated in 'bubbles', staff were not allowed to move between buildings, parents are not allowed on site. Start and finishing times were staggered and daily enhanced cleaning regimes introduced. This resulted in shorter working days.

Each setting has set up an isolation room for children who may feel unwell or who show symptoms of COVID. They are assessed, monitored and if required sent home.

Everyone has a temperature check when they arrive and we continually encourage washing of hands. There is prominent signage in all settings to remind staff to follow government guidelines.

Staff are feeling vulnerable but continue to come to work due to the strict COVID measures that have been put in place. We must commend our staff who have continued to come to work each day through a pandemic.

The Trustees have been reassured that during the pandemic, Services for Young Children at Hampshire County Council have continued to finance our settings through the Early Years Education Grant and have offered advice and guidance throughout.

Clocktower Out of School Club

An Out of School Club was started in September 2019 offering a breakfast club and after school childcare to children from a school nearby. Driven by the setting manager, this new venture had a very promising start with numbers growing each month. Sadly the Club could not re-open after the national lockdown in June due to Covid restrictions, so momentum was lost.

In January 2021, the school club has re-opened and its progress is being monitored.

The Aldershot Garrison Pre-School Settings

Registered number: 07916241

Trustees' Report

Recruitment and appointment of trustees

The directors of the company as defined by company law are also the charity's trustees for the purposes of charity law and under the company's Articles are known as the trustees and are referred to as trustees only throughout these accounts.

The trustees of the company are found from officers filling relevant posts on the staff of HQ Aldershot Garrison, along with trustee representation from parents and staff.

Under the requirements of the Articles of Association the trustees must comprise the following:

- a) at least one member of the Garrison,
- b) at least one parent trustee, and
- c) such other individuals as are co-opted by the trustees

In the event of the company being wound up, trustees are required to contribute an amount not greater than £10.

The trustees who served during the year and up to the date of this report, are set out on page 2.

Ms CP Willett, the Operations Manager was a salaried employee of the Charity and an appointed trustee. The Charity Commission consent had been sought and obtained. The Charity's Memorandum and Articles of Association were amended and agreed by the Charity Commission. Ms Willett left the charity as an employee and resigned as a trustee on 31 March 2020.

The role of Executive Manager was created and filled in October 2020. The Executive Manager has authority to expend funds on the day-to-day running of the pre-schools and nursery, but all other financial matters are approved by the trustees.

Trustees are responsible for setting the pay of Key Management Personnel.

All trustees give their time voluntarily and received no benefits from the charity during the year for performance of their duties as trustees.

Objectives and activities

The objectives of the charity as set out in the company's articles of association are to:

- provide non-public day nursery facilities and non-publicly funded early years education for children under five years of age of service personnel and qualifying civilian staff; and
- provide breakfast and after school childcare for children of primary school age of service personnel and qualifying civilian staff; and
- enhance the development and education of children primarily under statutory school age by working in partnership with parents to understand and provide for the needs of their children.

Children aged 2, 3 and 4 years are able to access free early years education government funding.

For the purposes of this document Service Personnel shall mean serving uniformed personnel of the armed forces of the Crown and qualifying civilians shall mean personnel who are wholly or mainly engaged in activities which directly support the serving personnel of the Aldershot Garrison.

Delivering Public Benefit

The charity provides public benefit through the provision and support of day care and early years education, in accordance with OFSTED regulations and standards, for children under 5 years of age, of serving members of HM Forces and qualifying civilian staff employed in support of Aldershot Garrison. This is done in order to support and give confidence to parents by delivering a high quality and totally reliable day care and early years education service. Military personnel are required to serve in operational circumstances at short notice and for prolonged periods and the services undertaken by the Charity allows personnel to execute their duties. As a result, the Charity provides support to their dependants and develops and maintains morale and community cohesion.

The trustees have paid due regard to the Charity Commission of England and Wales guidance on public benefit when deciding what activities the charity should undertake.

The Aldershot Garrison Pre-School Settings

Registered number: 07916241

Trustees' Report

Staff Training and Recruitment

The average number of full-time equivalent employees in the period was 46, of which 43 deliver childcare. One full-time kitchen assistant is responsible for the serving of meals, kitchen cleaning and laundry. We have a Payroll Administrator and from October 2020 an Executive Manager who oversees all the settings.

The trustees and the management team encourage all staff to undergo professional and personal development.

Our aim is to have a well-qualified staff team at all times to enable us to provide high quality care and education for the children of service families and so we encourage all new staff who are not qualified to work towards a relevant level 3 childcare qualification. Currently, four staff are completing training towards level 2 or 3 via a training provider or by attending a local college.

We also support staff who want to obtain higher level degree qualifications and currently have one staff member working towards an early years honours degree.

Staff responsible for the delivery of childcare hold the following childcare qualifications:

- 32 hold level 3 or higher or 74% of staff employed in childcare
- Five have Education or Early Years degrees
- Three staff have level 5 Foundation Degrees and of these one is working towards a Honours degree and this should be completed by June 2021
- Four staff are unqualified but are working towards level 3 qualifications through training providers or through a local college with assessors meeting students monthly.

All staff have completed a 12 hour paediatric first aid training course and there is a rolling programme to update this training every three years. All managers and deputies have or will have a First Aid at Work qualification.

All staff also complete basic L3 child protection/safeguarding training and food safety which needs to be updated every 3 years. All managers and deputies have completed a L4 safeguarding training which also has to be updated every three years.

In October 2019 we enrolled with "Noodle Now", an online training platform which offers over 80 accredited courses. Access to this training platform was particularly important during the first national lockdown when staff could independently access these courses and participation was monitored.

In-house training courses were held in September 2019 and January 2020 led by the managers of all four settings. Topics covered included The Leuven Scales, In the Moment Planning, Brain Development and PLODS.

Managers and relevant staff attend local cluster meetings each term organised by the local authority. These include Provider Briefings, Lead Practitioner Safeguarding briefings, SENDCo (Special Educational Needs and Disability Co-Ordinator) meetings and Birth to Four Matters meetings. These meetings enable us to stay up to date and network with other local childcare providers.

Challenges

Covid-19

The provision of high quality childcare amidst the Covid-19 pandemic remains our biggest challenge. However, the staff have been fantastic in meeting that challenge. Through keeping to government guidance, keeping to their bubbles and cleaning regimes, we have been able to maintain childcare provision in all settings.

Staff recruitment

Recruitment of suitably qualified staff is a national issue within the childcare sector. We cannot use agency staff due to the high cost and so we will continue to seek well qualified people to staff our settings

The Aldershot Garrison Pre-School Settings

Registered number: 07916241

Trustees' Report

Risk management

The trustees have conducted a review of the major risks to which the charity is exposed and where appropriate, systems or procedures have been established to mitigate the risks the charity faces. All staff members are required to comply with written policies that are common to all settings. Copies of policies are available to all parents. Policies are regularly reviewed to ensure that they reflect the latest legislation/guidance and current child care practises. Decisions on matters falling outside these policies are referred by supervisors to the Executive Manager and if necessary to the trustees. The Operations Manager chairs regular meetings of the Nursery and Pre-Schools Managers where policies, problems, training and plans are discussed. These meetings also give the opportunity to identify and permeate best practice.

Written policies include:

- Absence Policy
- Admissions Policy
- Babysitting/Childminding Policy
- Behaviour Management
- Biting Policy
- Complaints Procedure
- Confidentiality Policy
- Debt Policy
- Electronic and Telephonic Communications Policy
- Emergency Threat procedure
- Equality, Diversity and Inclusion Policy
- Equipment and Resources Policy
- Food and Drink Policy
- General Data Protection Policy
- Health and Safety Policy
- Illness and Exclusion Policy
- Lost Child Policy
- Medication Policy
- Nappy Changing Policy
- Non-Collection of Children Policy
- One to One Policy
- Parental Involvement Policy
- Physical Handling Policy
- Rest and Sleep Policy
- Safeguarding Children Policy
- Settling In Policy
- Smoking Policy
- Snow Closure
- Staff Conduct and Code of Practice Policy
- Social Networking Policy
- Special Educational Needs/Disability Policy
- Staffing and Employment Policy
- Staff Absence
- Staff Code of Conduct
- Student Placement Policy
- Sun Safety Policy
- Whistle Blowing Policy

The Charity's finances are lodged with the Holt's Military Banking in Farnborough and with Virgin Money. The accounts are maintained by a qualified accountant employed by the charity and are audited by Keith Graham, Chartered Accountants of Aldershot.

The Aldershot Garrison Pre-School Settings

Registered number: 07916241

Trustees' Report

Principal sources of income

Local authority Early Years Education Grant accounts for 71% of all pre-school income. Only the parents of children that do not qualify for grants or those attending in excess of the funded hours are charged fees.

At Queen Marys Nursery, which cares for children aged between 3 months and pre-school age on a full time day care basis, the Early Years Grant accounts for 48% of income. Research shows that fees charged to parents are significantly lower than those charged by private nurseries in the local area and lower than nurseries in other garrison areas and therefore continue to offer value for money to parents.

At the discretion of the trustees, fees can be waived on the grounds of welfare need.

Reserves policy

The Trustees maintain a level of restricted reserves equal to the value of the Rathbones Investment Fund. This level of restricted reserves equates to 4 months average monthly operating costs and is considered satisfactory by the Trustees.

Financial period

The accounts reflected in this report cover the period from 1 September 2019 to 31 August 2020 which was the end of the academic year and period covered by the Early Years Education Grants.

Ofsted regulation

All settings are subject to inspection by Ofsted. The latest reports can be viewed at www.ofsted.gov.uk/reports. The Executive Manager and Setting Managers have established good working relationships with Ofsted, and the departments at Hampshire County Council and Hart and Rushmoor Borough Council responsible for Early Years Education, child care provision, Early Years support staff, local children's centres and children's social care.

Financial Performance

Gross incoming resources for the year amounted to £878,732 (2019: £833,226), including £868,176 (2019: £821,756) received in fees and Early Years Funding across the four settings.

Expenditure in the year amounted to £886,339 (2019: £916,952) of which £762,145 (2019: £757,884) related to staff salaries, pension and employers NIC.

The net retained funds at the year-end were £610,954 (2019: £616,720), with a total of £348,000 (2019: £348,000) held in the designated fund.

Expenditure

The main outgoings are staff costs that relate directly to the provision of childcare and early years education. Staff costs represent 86% of total costs. The charity occurs minimal administration costs and again in this period, did not incur any premises costs. It is expected that rent, rates and utilities charges may be levied at some point in the future and therefore remains under review. The trustees have continued to ensure that all settings are fitted with modern furnishings and play aids that challenge and stimulate children's learning and development.

Investment policy and performance

Investment activities are managed in line with the requirements of the Trustee Act 2000. The trustees have appointed Rathbones Plc as Investment Manager. The charity's investment policy is a low to medium-risk approach for the growth of the portfolio of investments. The Investment Manager has total discretion concerning which investments are bought or sold within the risk profile set by the trustees.

The investment portfolio is seen as a long-term investment. As at 31 August 2020 there was an unrealised book gain of £1,841 (2019: £7,635) on the portfolio. The charity also received £7,006, (2019: £8,345) of investment income from the fund during the year.

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Trustees' Report

Plans for future periods

Clocktower House Pre-School

The refurbishment of the Clocktower building will take place in July and August 2021. This will modernise the interior of the entire building, providing more space and enable us to offer additional places in the pre-school and continue to develop our out of school breakfast and teatime clubs.

Executive Manager

In October 2020 a new role of Executive Manager, (EM) was created to replace the Operations Manager position. The EM oversees the work of the charity and supports each setting manager. Since starting in post her main focus has been to ensure the safety of all our children and staff during the Covid pandemic by adhering to government guidance and maintaining communication with parents and staff.

New workwear has been introduced which has helped to build morale within the staff and provides a professional image. We have also employed Peninsula, a firm of consultants who are supporting the EM with all aspects of HR and health and safety. A new staff handbook has been produced and distributed to the staff. Peninsula are also advising on all policies and procedures which we have currently in place. All staff have access to a qualified counsellor who can provide personal support for any practical or emotional challenges they may be experiencing.

We are also encouraging parent participation by informing parents about the role of parent trustee and already we have one parent trustee appointed.

The EM meets with the Trustees once a month.

Staff Training

In April 2021, all staff will undertake Forest School training which aims to improve our use of outdoor spaces.

Trustees' responsibilities

The trustees are (who are also the directors of the Aldershot Garrison Pre-School Settings for the purposes of company law) responsible for preparing the report and financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (FRS 102 section 1A, the Charities SORP and applicable law). 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 charitable company and of the incoming resources and application of resources, including its income and expenditure of the charitable company 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;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006 and the Charities SORP. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Aldershot Garrison Pre-School Settings
Registered number: 07916241
Trustees' Report

Disclosure of information to auditors

Each person who was a trustee at the time this report was approved confirms that:

- so far as they are aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Auditors

Keith Graham, Chartered Accountants are deemed to be re-appointed under 487(2) of the Companies act 2006.

This report was approved by the board on 3rd March 2021 and signed on its behalf.

Nicola McConnell
Chairman of the Trustees

The Aldershot Garrison Pre-School Settings
Independent auditor's report
to the member of The Aldershot Garrison Pre-School Settings

Final for board approval 26/02/2021

Opinion

We have audited the financial statements of The Aldershot Garrison Pre-School Settings for the year ended 31 August 2020 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 section 1A 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the report and financial statements, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

The Aldershot Garrison Pre-School Settings
Independent auditor's report
to the member of The Aldershot Garrison Pre-School Settings

Final for board approval 26/02/2021

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out in the trustees report), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

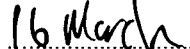
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mr Simon Pusey
(Senior Statutory Auditor)
for and on behalf of
Keith Graham
Chartered Accountants and Statutory Auditors

 2021

Suite 2, Wesley Chambers
Queens Road
Aldershot
Hampshire
GU11 3JD

The Aldershot Garrison Pre-School Settings
Statement of Financial Activities (including the Income and Expenditure Account)
for the year ended 31 August 2020

| | Notes | 2020 Unrestricted funds £ | 2019 Unrestricted funds £ |
|--|-------|------------------------------------|------------------------------------|
| Income from: | | | |
| Charitable activities | | 868,176 | 821,756 |
| Other trading activities | | 2,464 | 1,798 |
| Investments | | 8,092 | 9,672 |
| Total income | 3 | <u>878,732</u> | <u>833,226</u> |
| Expenditure on: | | | |
| Charitable activities | 4 | 883,591 | 914,201 |
| Raising funds | 5 | 2,748 | 2,751 |
| Total expenditure | | <u>886,339</u> | <u>916,952</u> |
| Gain on revaluation of investments | | 1,841 | 7,635 |
| Net expenditure and net movement in funds | | <u>(5,766)</u> | <u>(76,091)</u> |
| Reconciliation of funds: | | | |
| Total funds brought forward | 12 | 616,720 | 692,811 |
| Total funds carried forward | | <u>610,954</u> | <u>616,720</u> |

The Aldershot Garrison Pre-School Settings
Statement of Financial Position
as at 31 August 2020

| | Notes | 2020 £ | 2019 £ |
|---|-------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 8 | 49,278 | 59,588 |
| Current assets | | | |
| Debtors | 9 | 22,336 | 17,179 |
| Investments held as current assets | 10 | 347,048 | 347,956 |
| Cash at bank and in hand | | 262,876 | 229,488 |
| | | <u>632,260</u> | <u>594,623</u> |
| Creditors: amounts falling due within one year | 11 | (70,584) | (37,491) |
| Net current assets | | <u>561,676</u> | <u>557,132</u> |
| Net assets | | <u>610,954</u> | <u>616,720</u> |
| The funds of the Charity | | | |
| Unrestricted funds | | | |
| General fund | 12 | 262,954 | 268,720 |
| Designated fund | 12 | 348,000 | 348,000 |
| Total charity funds | | <u>610,954</u> | <u>616,720</u> |

The accounts have been prepared in accordance with the provisions in Part 15 of the Companies Act 2006 applicable to companies subject to the small companies regime.

Nicola McConnell
 Chairman of the Trustees
 Approved by the board on 3rd March 2021

The Aldershot Garrison Pre-School Settings
Statement of Cash Flows
for the year ended 31 August 2020

| | 2020 | 2019 |
|---|-------------------|---------------------|
| | £ | £ |
| Operating activities | | |
| Net expenditure for the financial year | (5,766) | (76,091) |
| Adjustments for: | | |
| Gain on revaluation of investments | (1,841) | (7,635) |
| Depreciation | 11,506 | 29,598 |
| (Increase)/decrease in debtors | (5,157) | 1,426 |
| Increase in creditors | 33,093 | 9,418 |
| | <u>31,835</u> | <u>(43,284)</u> |
| Cash provided by/(used in) operating activities | <u>31,835</u> | <u>(43,284)</u> |
| Investing activities | | |
| Payments to acquire tangible fixed assets | (1,196) | (28,092) |
| Proceeds from sale of investments | 2,749 | 2,758 |
| | <u>1,553</u> | <u>(25,334)</u> |
| Cash generated by/(used in) investing activities | | |
| Net cash generated/(used) | | |
| Cash generated by/(used in) operating activities | 31,835 | (43,284) |
| Cash generated by/(used in) investing activities | 1,553 | (25,334) |
| | <u>33,388</u> | <u>(68,618)</u> |
| Net cash generated/(used) | | |
| Cash and cash equivalents at 1 September | 229,488 | 298,106 |
| Cash and cash equivalents at 31 August | <u>262,876</u> | <u>229,488</u> |
| Cash and cash equivalents comprise: | | |
| Cash at bank | <u>262,876</u> | <u>229,488</u> |

**The Aldershot Garrison Pre-School Settings
Notes to the Financial Statements
for the year ended 31 August 2020**

1 Summary of significant accounting policies

General information

The Charitable Company is Limited by guarantee and was incorporated in England and Wales on 19 January 2012. The registered office address is 27 Middle Hill, Aldershot, Hampshire, GU11 1PL. The functional currency for these accounts is sterling.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)) and the Companies Act 2006 (as applied to small entities by section 1A of FRS 102).

The Aldershot Garrison Pre-school Settings 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 notes.

Going concern

The charitable activities are entirely dependent on continuing pre-school fees. As a consequence, the going concern basis is dependent on the future flow of these funding streams. The Trustees are satisfied that, at the time of approving the financial statements, it is appropriate to adopt the going concern basis in preparing the financial statements. The Trustees are not aware of any material uncertainties about the charity's ability to continue as a going concern.

Income

Donations and legacies are accounted for when received by the charity and are credited to unrestricted funds unless directed by the donor to do otherwise. Other income is accounted for on an accruals basis as far as it is prudent to do so. Unrealised gains and losses are only accounted for insofar as they are reported to the charity by the Investment Manager.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

The charity receives the benefit of work carried out by volunteers and receives the use of facilities and equipment without charge. No value is placed on these items, except where the benefit extends over several periods, in which case they are valued and included in the balance sheet at a reasonable valuation.

Donated services and facilities are only included in incoming resources (with an equivalent amount in resources expended) where the benefit to the charity is reasonably quantifiable, measurable and material. The value placed on these resources is the estimated value to the charity of the service or facility received.

Revenue grants are credited to the SoFA account as receivable, unless related to a specific period, when they are placed in a restricted fund until used.

The Aldershot Garrison Pre-School Settings
Notes to the Financial Statements
for the year ended 31 August 2020

1 Summary of significant accounting policies - continued

Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure and are inclusive of VAT. All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings. Grants payable are payments made to third parties in the furtherance of the charitable objects of the Trust. Grants and donations are charged to the Statement of Financial Activities once they are approved for payment by the Trustees, and include grants made and an apportionment of overhead and support costs.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

| | |
|----------------------------------|------------------------|
| Property improvements | 10 years straight line |
| Fixtures, fittings and equipment | 3 years straight line |

Investments

Investment income is included in the accounts when it is receivable. Unrealised gains and losses arise on the investments when they are revalued at the year end using the valuation provided by the Investment Manager (Rathbones Plc).

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest

Provisions

Provisions (ie liabilities of uncertain timing or amount) are recognised when there is an obligation at the reporting date as a result of a past event, it is probable that economic benefit will be transferred to settle the obligation and the amount of the obligation can be estimated reliably.

Funds structure

General fund is the unrestricted fund which is available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated fund has been set aside by the Management Committee which considers it prudent for the charity to maintain a separate fund with a balance representing a minimum of 6 months operational costs.

Pensions

Contributions to defined contribution plans are expensed in the period to which they relate.

The Aldershot Garrison Pre-School Settings
Notes to the Financial Statements
for the year ended 31 August 2020

2 Critical accounting estimates and judgements

In determining the carrying amounts of certain assets and liabilities, the charity makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The charity's estimates and assumptions are based on historical experience and expectation of future events and are reviewed annually.

3 Analysis of income by activity

| | 2020 Unrestricted funds £ | 2019 Unrestricted funds £ |
|---------------------------------|------------------------------------|------------------------------------|
| <u>Charitable activities</u> | | |
| EYE funding and fees | 772,979 | 802,552 |
| Other grants | 95,197 | 19,204 |
| | <u>868,176</u> | <u>821,756</u> |
| <u>Other trading activities</u> | | |
| Photo/video/book commission | 2,464 | 1,728 |
| Income from fund raising | - | 70 |
| | <u>2,464</u> | <u>1,798</u> |
| <u>Investments</u> | | |
| Investment income | 7,006 | 8,345 |
| Bank interest receivable | 1,086 | 1,327 |
| | <u>8,092</u> | <u>9,672</u> |
| <u>Summary</u> | | |
| Charitable activities | 868,176 | 821,756 |
| Other trading activities | 2,464 | 1,798 |
| Investments | 8,092 | 9,672 |
| | <u>878,732</u> | <u>833,226</u> |

4 Total expenditure on charitable activities

| | 2020 Unrestricted funds £ | 2019 Unrestricted funds £ |
|--|------------------------------------|------------------------------------|
| <u>Direct expenditure on charitable activities</u> | | |
| Staff salaries | 710,662 | 710,549 |
| Pensions | 9,584 | 8,651 |
| Employer's NI | 41,899 | 38,684 |
| Staff training | 5,002 | 9,006 |
| Recruitment costs | 3,170 | 3,338 |
| Catering | 20,089 | 25,441 |
| Play aids | 3,923 | 6,851 |
| Children's stationery | 2,011 | 2,745 |
| Water centres | 2,386 | 1,679 |
| Bad debts | 98 | 3,372 |
| Staff gifts and functions | 770 | 1,205 |
| Children's activities | 794 | 578 |
| | <u>800,388</u> | <u>812,099</u> |

The Aldershot Garrison Pre-School Settings
Notes to the Financial Statements
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4 Total expenditure on charitable activities - continued

| | 2020 | 2019 |
|---|---------------------|---------------------|
| | Unrestricted | Unrestricted |
| | funds | funds |
| | £ | £ |
| <u>Support costs for charitable activities</u> | | |
| Bank charges | 1,084 | 900 |
| Cleaning & hygiene | 9,598 | 7,899 |
| Settings consumables and maintenance | 3,632 | 4,512 |
| Telephone | 3,014 | 2,879 |
| Property depreciation | 11,506 | 29,598 |
| Computer & copier | 11,454 | 11,716 |
| Uniforms | 592 | 697 |
| Health and safety | 359 | - |
| DBS checks | 766 | 1,318 |
| Internet | 2,208 | 2,399 |
| OFSTED registration | 325 | 352 |
| Accountancy fees | 25,683 | 26,087 |
| Legal fees | 2,892 | 3,504 |
| Insurance | 3,886 | 3,745 |
| Stationery | 130 | 286 |
| Postage | 194 | 330 |
| | <u>77,323</u> | <u>96,222</u> |
| <u>Governance costs</u> | | |
| Audit fees | 5,880 | 5,880 |
| | <u>5,880</u> | <u>5,880</u> |
| <u>Total expenditure on charitable activities</u> | | |
| Total direct expenditure | 800,388 | 812,099 |
| Total support cost | 77,323 | 96,222 |
| Total governance costs | 5,880 | 5,880 |
| | <u>883,591</u> | <u>914,201</u> |

5 Fund raising activities

| | 2020 | 2019 |
|--------------------|---------------------|---------------------|
| | Unrestricted | Unrestricted |
| | funds | funds |
| | £ | £ |
| Management charges | 2,748 | 2,751 |
| | <u>2,748</u> | <u>2,751</u> |

6 Net expenditure and net movement in funds

| | 2020 | 2019 |
|---|---------------|---------------|
| | £ | £ |
| This is stated after charging: | | |
| Depreciation of owned fixed assets | 11,506 | 29,598 |
| Auditors' remuneration for audit services | 5,880 | 5,880 |
| Auditors' remuneration for other services | 1,140 | 1,140 |
| | <u>11,506</u> | <u>29,598</u> |

The Aldershot Garrison Pre-School Settings
Notes to the Financial Statements
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| 7 Staff costs | 2020 | 2019 |
|-----------------------|----------------|----------------|
| | £ | £ |
| Wages and salaries | 710,662 | 710,549 |
| Social security costs | 41,899 | 38,684 |
| Other pension costs | 9,584 | 8,651 |
| | <u>762,145</u> | <u>757,884</u> |

| Average number of employees during the year | Number | Number |
|--|---------------|---------------|
| Administration | <u>46</u> | <u>49</u> |

No employee received employee benefits greater than £60,000 in the year.

Key management personnel, consisting of the Operations Manager, 4 Settings Managers and the Finance Officer received a total of £151,006 (2019: £147,090).

The Operations Manager was not remunerated for the work undertaken as a trustee during the year. As an employee, the Operations Manager received remuneration of £36,529 (2019: £35,661) and pension contributions of £646 (2019: £734).

8 Tangible fixed assets

| | Property improvements | Fixtures, fittings and equipment | Total |
|--------------------------|------------------------------|---|----------------|
| | <i>At cost</i> | <i>At cost</i> | |
| | £ | £ | £ |
| Cost or valuation | | | |
| At 1 September 2019 | 85,675 | 164,772 | 250,447 |
| Additions | - | 1,196 | 1,196 |
| At 31 August 2020 | <u>85,675</u> | <u>165,968</u> | <u>251,643</u> |
| Depreciation | | | |
| At 1 September 2019 | 28,926 | 161,933 | 190,859 |
| Charge for the year | 8,568 | 2,938 | 11,506 |
| At 31 August 2020 | <u>37,494</u> | <u>164,871</u> | <u>202,365</u> |
| Carrying amount | | | |
| At 31 August 2020 | <u>48,181</u> | <u>1,097</u> | <u>49,278</u> |
| At 31 August 2019 | <u>56,749</u> | <u>2,839</u> | <u>59,588</u> |

| 9 Debtors | 2020 | 2019 |
|------------------|---------------|---------------|
| | £ | £ |
| Trade debtors | 9,054 | 11,064 |
| Other debtors | 13,282 | 6,115 |
| | <u>22,336</u> | <u>17,179</u> |

The Aldershot Garrison Pre-School Settings
Notes to the Financial Statements
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| 10 Investments held as current assets | 2020 | 2019 |
|---|----------------|----------------|
| | £ | £ |
| Fair value | | |
| Listed investments | <u>347,048</u> | <u>347,956</u> |
| Increase/(decrease) in fair value included in the profit and loss account for the financial year | | |
| Listed investments | <u>1,841</u> | <u>7,635</u> |
| | <u>1,841</u> | <u>7,635</u> |

The investments are carried in the balance sheet at the valuation provided by the investment manager at Rathbones Plc and changes in fair value are recorded in the SoFA.

| 11 Creditors: amounts falling due within one year | 2020 | 2019 |
|--|---------------|---------------|
| | £ | £ |
| Trade creditors | 1,730 | 5,744 |
| Other taxes and social security costs | 8,545 | 8,377 |
| Other creditors | <u>60,309</u> | <u>23,370</u> |
| | <u>70,584</u> | <u>37,491</u> |

| 12 Unrestricted funds | 2020 | 2019 |
|------------------------------|----------------|----------------|
| | £ | £ |
| <u>General fund</u> | | |
| At 1 September | 268,720 | 348,811 |
| Loss for the financial year | (5,766) | (76,091) |
| Fund transfers | - | (4,000) |
| | <u>262,954</u> | <u>268,720</u> |
| <u>Designated fund</u> | | |
| At 1 September | 348,000 | 344,000 |
| Fund transfers | - | 4,000 |
| | <u>348,000</u> | <u>348,000</u> |

Designated fund is to hold contingency fund as per the charities reserves policy. Transfer between funds is to ensure designated fund represents the funds required to be held by the charities policy at the year end.

13 Government grants

Income from government grants comprises performance related grants made by local authorities to fund early years education. The amount of revenue government grants received in the year totalled £544,217 (2019: £525,950). £76,097 of government furlough grants were received in the year.

**The Aldershot Garrison Pre-School Settings
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14 Related party transactions

No trustee or other person related to the company had any personal interest in any transaction or contract entered into in the current period.

No trustees received remuneration or expenses for their role as trustee in the year. A member of key management personnel, was appointed as a trustee in the prior year and continues to be remunerated for their role as a member of key management personnel as per note 7.

15 Controlling party

The company is limited by guarantee and has no controlling party. The liability of each member is limited to £10 in the event of it being wound up.