

**Trustees' Report and
Financial Statements
for the Year Ended 31 August 2022
for
The Aldershot Garrison Pre-School
Settings**

Butt Miller

Chartered Accountants

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 August 2022. The trustees have adopted the provisions of 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

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;
- 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 the 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 through 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.

The objectives are achieved through the operation of 1 nursery and 3 pre-schools settings in the vicinity of the Aldershot Garrison.

We will achieve the charity's objectives by working closely with the Chief Executive and individual settings managers to maintain stringent Human Resource practices to ensure that we comply across the board with all local government standards and standards set by Ofsted. By achieving these targets, we will ensure that our military families are provided with outstanding nursery care at an affordable rate which competes strongly with the local market.

OBJECTIVES AND ACTIVITIES

Significant activities, achievement and performance

The Chief Executive Julie Mounfield has been in post almost 2 years and has made significant changes over the four settings.

There is a new manager and deputy at Queen Mary's nursery which has been good for business, numbers are slowly increasing and the reputation of the setting has significantly improved.

Clocktower and Toyebox have both had a refurbishment during the financial year, they look amazing and the charity did not have to contribute to any costs financially as it was covered by the military.

Quetta Park numbers have been fairly low, we have reduced a staff member to ensure we are covering costs.

The settings numbers of children did improve significantly over the academic year:

Clocktower (CT)

Sept 21: 40 children

July 22: 95 children

Queen Mary's Nursery (QMN)

Sept 21: 67 children

July 22 : 96 children

Quetta Park (QP)

Sept 21: 12 children

July 22: 20 children

ToyeBox Pre-school (TP)

Sept 21: 76 children

July 22: 104 children

The percentage of children at the period end whose parents are military are as follows for each of the settings.

QMN: 72% (2021: 60 %)

TB: 81% (2021: 79 %)

QP: 51% (2021: 55 %)

CT: 74% (2021: 65 %)

COVID 19 - 17 staff had to isolate due to COVID 19 week beginning 24th January 2022, we had to close Quetta Park pre-school for the week and take key worker children only at Toyebox. We currently have 6 staff out of 50 who are unvaccinated.

Many changes have been put in place from September 21 to August 2022:

- The Chief Executive has continued to use Peninsula HR company and they have been a brilliant asset to each of the managers and we now have access to Croner-i who are affiliated with Peninsula; they produce the majority of the setting policies and information that we require. All managers continue to use BrightHR. This facility is used a lot for HR, employment advice and H&S advice.

- Policies are written and updated by the Chief Executive on a regular basis.

- The Garrison Fire Safety Officer has been to visit each of the settings to ensure that we are compliant. These visits have highlighted some minor concerns and we now have a book to complete daily and monthly checks, with the safety officer visiting monthly.

- Our staff recognition scheme has evolved and we now offer 3 hours off work for free if staff have been nominated for going above and beyond in their role, this is voted by peer nominations and has been very well received.

- We have introduced the addition of paid annual leave on staff birthdays, once staff have completed their probation period.

OBJECTIVES AND ACTIVITIES

- The staff handbook is updated each year, all staff must sign and date to acknowledge they understand.
- All staff contracts have been reviewed with a 6 month probation period introduced and 8 weeks' notice period on resignation.
- We have introduced a new system called eyMAN for parents to access their accounts and see the balance; they can also access accident forms etc.
- The Chief Executive has been receiving mentoring support from Rushmoor GROWTH Plan at Rushmoor Borough council, this free programme was introduced after the pandemic to help build local Businesses. This has been very beneficial.
- We have introduced an Employee Assistance programme - free for all staff to use, this is to support them professionally or personally. This is a perk for staff and is completely confidential.
- The Chief Executive has cut key carer time for all staff from 'up to 5 hours per week, per staff member' to 0 hours per week. The staff now have time out within the working day to do keyworker notes and observations. This has helped to reduce our staff costs and to reduce the amount of paperwork the staff are currently doing in line with the EYFS.
- Introduced quarterly advertising in the Garrison magazine, all managers write articles each term.
- Increased social media presence, this is updated daily and has helped build the reputation of the charity.
- Website is continually being reviewed and a new website was in place for January 2023.
- Managers are going on BFBS radio bi-monthly to promote their settings.
- Staff training: All managers and deputies have completed Level 4 safeguarding training.
- First Aid training for all staff completed.
- Tighter/fairer processes have been introduced with regards to recruiting and interviewing.
- We no longer use agency staff, we have advertised for 'bank' staff instead to help us reduce costs.
- Each setting is responsible for organising their own fundraising, this includes sponsored walks, photographer, Christmas jumper day, etc. The settings have done very well with this and have been able to use these funds to buy equipment for their setting.
- Regular managers meetings continue to ensure our managers feel supported.
- Annual performance reviews and bi-monthly meetings continues for all staff, this is audited by the Chief Executive.
- Trustees agreed to reward all staff with a £20 voucher for Christmas to say thank you, this was very well received by all staff.
- The trustees agreed that staff would receive a 6.6 per cent rise in line with the national living wage from April 2022.

OBJECTIVES AND ACTIVITIES

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 uniformed 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 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.

FINANCIAL REVIEW

Financial position

Gross incoming resources for the year amounted to £1,031,345 (2021: £815,311), including £1,010,249 (2021: £786,900) received in fees and Early Years Funding across the four settings.

Expenditure in the year amounted to £962,334 (2021: £922,072) of which £807,657 (2021: £789,912) related to staff salaries, pension and employers NIC.

The main outgoings are staff costs that relate directly to the provision of childcare and early years education. Staff costs represent 84% (2021: 86%) of total costs. The charity incurs minimal administration costs and again in this period, did not incur any premises costs. There is a standing order with the Garrison for continued use of the buildings free of charge with relation to rent, rates, utilities and maintenance. 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.

The net retained funds at the year-end were £588,684 (2021: £554,160), with a total of £315,704 (2021: £430,068) held in the designated fund representing the Rathbones portfolio in line with the reserve policy (2021 also included £36,000 relating to the possible Clocktower refurbishment cost contribution.)

Following the introduction of the Chief Executive, subsequent costs savings made and the increase in the level of children at the settings; results have improved following a few years of losses and working towards the Trustees aim of making a small profit/breaking even going forward.

Principal sources of income

Local authority Early Years Education Grants account for 64% (2021: 69%) of all pre-school income. Only parents of the children that do not qualify for grants for 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 Education Grant accounts for 43% (2021: 55%) 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 needs.

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 2022 there was a total realised and unrealised loss of £34,487 (2021: Gain £49,967) on the portfolio. The charity also received £6,880 (2021: £5,114) of investment income from the fund during the year. During the period a capital withdrawal of £41,000 was made from the portfolio.

Reserves policy

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

PLANS FOR FUTURE PERIODS

The Baby Unit is due a refurb in September 2023, this will be carried out by ASPIRE (contractor responsible for maintaining military properties) with no cost to the charity.

We would like to consider a new uniform for all staff, the same colour throughout the whole organisation to ensure everyone is the same and to professionalise the charity.

There was an Ofsted inspection on 17th October 2022 at Clocktower Pre-school which achieved a 'good' rating. The plan for the future at Clocktower is to offer wrap around care for our military families, term-time only starting in September 2023.

The plan going forward is to improve results by continuing efficiency gains and to maintain, and increase where possible, the level of children at settings, in order to achieve a small profit.

Also to reduce our level of debtors. We have set up a new app for parents to use so they can see their bill on their phone and improving credit control procedures.

The aim is to turn the charity into a successful business and to use monies made to invest in the staff with fair wages, suitable training, and adequate support etc and to ensure our buildings are above standard with exciting, stimulating resources to enhance all the children who attend and to ensure we can adequately meet their need in accordance with the charity's objectives as set out in its articles of association.

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.

Recruitment and appointment 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 the 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.

We are introducing the following to ensure suitable candidates are given responsibilities for the running of the nursery settings:

- Personal Bio
- Interview by Chair/s
- Taken to trustee committee for approval
- DBS checks
- EY2 forms
- References
- Trustee Guides (Charity Commission guidance TOR)

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 7.

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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Decision making

The Chief Executive has overall financial authority and meets with the trustees once a term. The running of the nurseries has been delegated to the managers, with support and guidance from the Chief Executive.

The current Chief Executive appointed in October 2020, is Julie Mounfield.

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

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 practices. Decisions on matters falling outside these policies are referred by supervisors to the Chief Executive and if necessary to the trustees. The Chief Executive meets regularly with 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

STRUCTURE, GOVERNANCE AND MANAGEMENT

Ofsted regulation

All settings are subject to inspection by Ofsted. The latest reports can be viewed at www.ofsted.gov.uk/reports. The Chief Executive and Settings 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.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

07916241 (England and Wales)

Registered Charity number

1146542

Registered office

27 Middle Hill
Aldershot
Hampshire
GU11 1PL

Trustees

K Bayliss
D A Betts
L V Brown (resigned 17.10.22)
C M Cuccio (resigned 17.10.22)
F Gono (appointed 1.3.22) (resigned 11.1.23)
S Magee (resigned 17.10.22)
N D Mcconnell (resigned 1.3.22)
D Nicholl (appointed 1.3.22)
B P White (resigned 11.1.23)
J A Gaskin (appointed 11.1.23)
G B Silk (appointed 11.1.23)
G P Bell (appointed 11.1.23)
S L Stephenson (appointed 11.1.23)

Auditors

Butt Miller
Chartered Accountants and Statutory Auditor
1 Minster Court
Tuscam Way
Camberley
Surrey
GU15 3YY

Bankers

Holt's Military Banking
200 Fowler Avenue
Fowler Business Park
Farnborough
Hampshire
GU14 7JP

REFERENCE AND ADMINISTRATIVE DETAILS

Advisers

Investment Managers

Rathbones Investment Management
Port of Liverpool Building
Pier Head
Liverpool
L3 1NW

HR, employment law, and health & safety consultants

Peninsula Business Services
The Peninsula
Victoria Place
Manchester
M4 4FB

The charity also uses the following working names:

Toye Box Early Years Centre
Quetta Park Pre-School
Queen Mary Nursery
Clocktower House Pre-School

STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Company law requires the trustees to prepare financial statements for each financial year which 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 the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Approved by order of the board of trustees on 25 May 2023 and signed on its behalf by:

G P Bell - Trustee

Opinion

We have audited the financial statements of The Aldershot Garrison Pre-School Settings (the 'charitable company') for the year ended 31 August 2022 which comprise the Statement of Financial Activities, 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 (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 2022 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for 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 Auditors' 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 the provisions available for small entities, in the circumstances set out in note 21 to the financial statements, 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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 this gives rise to a material misstatement in the financial statements themselves. 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 for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

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 where 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the trustees' Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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.

Our 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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- The nature of the industry and sector the charity is in, its control environment and business performance including the design of the charities policies and staff remuneration;
- Results of our enquiries of management about their own identification and assessment of the risks of irregularities;
- Any matters we identified having obtained and reviewed the charity's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of noncompliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- The matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

Our procedures to respond to risks identified included the following:

- Enquiries of management and staff including concerning actual and potential litigation and claims and any instances of non-compliance with laws;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Obtained an understanding of provisions and held discussions with management to understand the basis of recognition or non-recognition of provisions; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; checking internal controls are being followed are as per its policies and assessing suitability; assessing the judgements made in making accounting estimates; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 Report of the Independent Auditors.

**Report of the Independent Auditors to the Members of
The Aldershot Garrison Pre-School
Settings**

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 auditors' 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.

Alison Elliott BFP ACA FCCA MAAT (Senior Statutory Auditor)
for and on behalf of Butt Miller
Chartered Accountants and Statutory Auditor
1 Minster Court
Tuscam Way
Camberley
Surrey
GU15 3YY

25 May 2023

**The Aldershot Garrison Pre-School
Settings**

**Statement of Financial Activities
for the Year Ended 31 August 2022**

		2022 Unrestricted funds £	2021 Total funds £
INCOME AND ENDOWMENTS FROM	Notes		
Donations and legacies	3	1,282	7,772
Charitable activities	6		
Charitable activities		1,019,605	800,238
Other trading activities	4	3,196	2,111
Investment income	5	7,262	5,190
Total		<u>1,031,345</u>	<u>815,311</u>
EXPENDITURE ON			
Raising funds	7	2,877	2,489
Charitable activities	8		
Charitable activities		959,457	919,583
Total		<u>962,334</u>	<u>922,072</u>
NET INCOME/(EXPENDITURE)		69,011	(106,761)
Other recognised gains/(losses)			
Gains/(losses) on revaluation of fixed assets		(34,487)	49,967
Net movement in funds		34,524	(56,794)
RECONCILIATION OF FUNDS			
Total funds brought forward		554,160	610,954
TOTAL FUNDS CARRIED FORWARD		<u>588,684</u>	<u>554,160</u>

The notes form part of these financial statements

**The Aldershot Garrison Pre-School
Settings**

**Statement of Financial Position
31 August 2022**

		2022 Unrestricted funds £	2021 Total funds £
	Notes		
FIXED ASSETS			
Tangible assets	14	39,474	41,589
Investments	15	315,704	394,068
		<u>355,178</u>	<u>435,657</u>
CURRENT ASSETS			
Debtors	16	52,775	24,881
Cash at bank and in hand		237,950	121,042
		<u>290,725</u>	<u>145,923</u>
CREDITORS			
Amounts falling due within one year	17	(57,219)	(27,420)
NET CURRENT ASSETS		<u>233,506</u>	<u>118,503</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		588,684	554,160
NET ASSETS		<u>588,684</u>	<u>554,160</u>
FUNDS	19		
Unrestricted funds		588,684	554,160
TOTAL FUNDS		<u>588,684</u>	<u>554,160</u>

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

The financial statements were approved by the Board of Trustees and authorised for issue on 25 May 2023 and were signed on its behalf by:

G P Bell - Trustee

D Nicholl - Trustee

The notes form part of these financial statements

**The Aldershot Garrison Pre-School
Settings**

**Statement of Cash Flows
for the Year Ended 31 August 2022**

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash generated from operations	1	74,641	(148,257)
Net cash provided by/(used in) operating activities		<u>74,641</u>	<u>(148,257)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(8,872)	(1,714)
Purchase of fixed asset investments		(33,828)	(66,035)
Sale of fixed asset investments		77,705	68,982
Interest received		382	76
Share portfolio income		6,880	5,114
Net cash provided by investing activities		<u>42,267</u>	<u>6,423</u>
Change in cash and cash equivalents in the reporting period		<u>116,908</u>	<u>(141,834)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>121,042</u>	<u>262,876</u>
Cash and cash equivalents at the end of the reporting period		<u><u>237,950</u></u>	<u><u>121,042</u></u>

The notes form part of these financial statements

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2022 £	2021 £
Net income/(expenditure) for the reporting period (as per the Statement of Financial Activities)	69,011	(106,761)
Adjustments for:		
Depreciation charges	10,987	9,403
Interest received	(382)	(76)
Share portfolio income	(6,880)	(5,114)
Increase in debtors	(27,894)	(2,545)
Increase/(decrease) in creditors	29,799	(43,164)
Net cash provided by/(used in) operations	<u>74,641</u>	<u>(148,257)</u>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.9.21 £	Cash flow £	At 31.8.22 £
Net cash			
Cash at bank and in hand	121,042	116,908	237,950
	<u>121,042</u>	<u>116,908</u>	<u>237,950</u>
Total	<u>121,042</u>	<u>116,908</u>	<u>237,950</u>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The Aldershot Garrison Pre-school Settings is a private limited company, limited by guarantee, and registered in England and Wales. The address of the registered office is set out in the Trustees report.

The presentation currency of the financial statements is the Pound Sterling (£).

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. Amounts received in advance relating to the following year are deferred until the criteria for income recognition are met.

Donations and legacies are accounted for when the charity has unconditional entitlement to the resources and are credited to unrestricted funds unless directed by the donor to do otherwise.

Investment income is included in the accounts when receivable. Investment gains and losses includes any gain or loss on the sale of investments and any gain or loss resulting from revaluing investments to market value at the end of the year using the valuation provided by the Investment Manager (Rathbones Plc).

Income from the government and other grants, whether 'capital' grants or 'revenue' grants is recognised when any performance conditions attached to the grants have been met.

The value of any services provided by volunteers are not incorporated into these financial statements. Further details of any contributions can be found in the trustees report.

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.

Expenditure

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the charity to the expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis and is inclusive of VAT. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Property improvements	- 10% on cost
Fixtures and fittings	- 33.33% on cost

Fixed asset investments

Listed investments are included at closing market value at the statement of financial position date. Any gain or loss during the year is taken to the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities to the extent that income or gains are applied exclusively to charitable purposes.

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

The designated fund represents unrestricted funds held equal to the value of the Rathbones portfolio in Listed Investments totalling £315,704.

Transfers between funds represents a reversal in designated funds relating to a possible cost contribution towards a setting's refurbishment that did not materialise plus a capital withdrawal of funds from the Rathbones portfolio during the period.

Pension

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Provisions

Provisions (i.e. 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.

Going concern

The charitable activities are entirely dependent on continuing pre-school fees and government funding. 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.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Judgements in applying accounting policies

In the application of the charitable company'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.

In preparing these financial statements, the trustees have made the following critical judgements:

To determine whether donated services and facilities can be reasonably measured and estimated so as to be recognised in the financial statements as described further in note 18.

Key sources of estimation uncertainties

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.

There are no key estimation uncertainties.

3. DONATIONS AND LEGACIES

	2022	2021
	£	£
Donations	<u>1,282</u>	<u>7,772</u>

4. OTHER TRADING ACTIVITIES

	2022	2021
	£	£
Photo/video/book commission	1,132	667
Income from fund raising	1,864	1,289
Sundry income	200	155
	<u>3,196</u>	<u>2,111</u>

5. INVESTMENT INCOME

	2022	2021
	£	£
Investment income	6,880	5,114
Bank interest receivable	382	76
	<u>7,262</u>	<u>5,190</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2022	2021
		£	£
EYE funding and fees	Charitable activities	1,010,249	786,900
Grants	Charitable activities	9,356	13,338
		<u>1,019,605</u>	<u>800,238</u>

Income from government grants included within EYE funding and fees comprise of grants made by local authorities to fund early years education. The amount received in the year totalled £643,095 (2021: £543,319) Other grants comprise amounts received under the Government's Job Retention Scheme plus grants from the military and the local authority.

7. RAISING FUNDS

Investment management costs

	2022	2021
	£	£
Management charges	<u>2,877</u>	<u>2,489</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Support costs (see note 9) £	Totals £
Charitable activities	<u>876,852</u>	<u>82,605</u>	<u>959,457</u>

9. SUPPORT COSTS

	Management £	Finance £	Information technology £
Charitable activities	<u>30,901</u>	<u>1,893</u>	<u>18,726</u>
		Governance costs £	Totals £
Charitable activities	<u>23,525</u>	<u>7,560</u>	<u>82,605</u>

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2022 £	2021 £
Depreciation - owned assets	10,987	9,403
Other operating leases	<u>1,955</u>	<u>3,686</u>

11. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the charity's auditors for the preparation and audit of the charity's statutory financial statements.	<u>7,560</u>	<u>7,020</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

The trustees have not been paid any remuneration or received any other benefits in relation to their work for the charity during the period.

Any trustee with children attending a setting are charged on the same basis as other parents.

There is a policy, that for trustees that have served for longer than 1 year, they would receive a £50 gift on leaving, subject to trustees' agreement.

Trustees' expenses

During the year, 1 trustee was reimbursed for items brought for rooms totalling £1,173. (2021: 2 Trustees totalling £132 for travel)

13. STAFF COSTS

	2022 £	2021 £
Wages and salaries	759,642	736,370
Social security costs	37,190	41,688
Other pension costs	10,825	11,854
	<u>807,657</u>	<u>789,912</u>

The average monthly number of employees during the year was as follows:

	2022	2021
Employees	<u>54</u>	<u>49</u>

No employees received emoluments in excess of £60,000.

14. TANGIBLE FIXED ASSETS

	Property improvements £	Fixtures and fittings £	Totals £
COST			
At 1 September 2021	85,675	167,682	253,357
Additions	-	8,872	8,872
Disposals	-	(4,073)	(4,073)
	<u>85,675</u>	<u>172,481</u>	<u>258,156</u>
At 31 August 2022			
DEPRECIATION			
At 1 September 2021	46,061	165,707	211,768
Charge for year	8,568	2,419	10,987
Eliminated on disposal	-	(4,073)	(4,073)
	<u>54,629</u>	<u>164,053</u>	<u>218,682</u>
At 31 August 2022			
NET BOOK VALUE			
At 31 August 2022	<u>31,046</u>	<u>8,428</u>	<u>39,474</u>
At 31 August 2021	<u>39,614</u>	<u>1,975</u>	<u>41,589</u>

15. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 September 2021	394,068
Additions	33,828
Disposals	(69,991)
Revaluations	1,676
Management fees	(2,877)
Capital Withdrawn	(41,000)
At 31 August 2022	315,704
NET BOOK VALUE	
At 31 August 2022	315,704
At 31 August 2021	394,068

The investments represent holdings in the investment portfolio managed by Rathbone Investment Management.

The historical cost of the above investments was £298,285 (2021: £334,764).

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	52,775	24,881

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	3,557	4,394
Social security and other taxes	19,272	9,056
Other creditors	6,699	6,950
Accruals and deferred income	27,691	7,020
	57,219	27,420

Deferred income comprises amounts received in advance of the following year or where conditions of agreements have not yet been wholly met. It is included within accruals and deferred income.

	2022 £	2021 £
Deferred income movement		
Balance at beginning of the period	-	29,523
Amount released to income during the period	-	(29,523)
Amount deferred during the period	20,131	-
Balance at end of the period	20,131	-

18. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2022	2021
	£	£
Within one year	1,536	1,571
Between one and five years	1,152	-
	<u>2,688</u>	<u>1,571</u>

During the period there was a memorandum of understanding with the Garrison to let the charity use the buildings the settings operate from, rent and maintenance free. Following the period end, a Garrison standing order has now been established.

This also includes utilities plus general major refurbishment work as part of the building's maintenance cycle as and when it arises. During the period, refurbishments were completed on two settings.

On the basis that the value of the use of these facilities cannot be reliably determined, no income and equivalent expense have been recognised in the Statement of Financial Activities.

19. MOVEMENT IN FUNDS

	At 1.9.21	Net movement in funds	Transfers between funds	At 31.8.22
	£	£	£	£
Unrestricted funds				
General fund	124,092	71,888	77,000	272,980
Designated fund	430,068	(37,364)	(77,000)	315,704
	<u>554,160</u>	<u>34,524</u>	<u>-</u>	<u>588,684</u>
TOTAL FUNDS	<u>554,160</u>	<u>34,524</u>	<u>-</u>	<u>588,684</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	1,031,345	(959,457)	-	71,888
Designated fund	-	(2,877)	(34,487)	(37,364)
	<u>1,031,345</u>	<u>(962,334)</u>	<u>(34,487)</u>	<u>34,524</u>
TOTAL FUNDS	<u>1,031,345</u>	<u>(962,334)</u>	<u>(34,487)</u>	<u>34,524</u>

19. MOVEMENT IN FUNDS - continued

Comparatives for movement in funds

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.21 £
Unrestricted funds				
General fund	262,954	(104,272)	(34,590)	124,092
Designated fund	348,000	47,478	34,590	430,068
	<u>610,954</u>	<u>(56,794)</u>	<u>-</u>	<u>554,160</u>
TOTAL FUNDS	<u>610,954</u>	<u>(56,794)</u>	<u>-</u>	<u>554,160</u>

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	815,311	(919,583)	-	(104,272)
Designated fund	-	(2,489)	49,967	47,478
	<u>815,311</u>	<u>(922,072)</u>	<u>49,967</u>	<u>(56,794)</u>
TOTAL FUNDS	<u>815,311</u>	<u>(922,072)</u>	<u>49,967</u>	<u>(56,794)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.9.20 £	Net movement in funds £	Transfers between funds £	At 31.8.22 £
Unrestricted funds				
General fund	262,954	(32,384)	42,410	272,980
Designated fund	348,000	10,114	(42,410)	315,704
	<u>610,954</u>	<u>(22,270)</u>	<u>-</u>	<u>588,684</u>
TOTAL FUNDS	<u>610,954</u>	<u>(22,270)</u>	<u>-</u>	<u>588,684</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,846,656	(1,879,040)	-	(32,384)
Designated fund	-	(5,366)	15,480	10,114
	<u>1,846,656</u>	<u>(1,884,406)</u>	<u>15,480</u>	<u>(22,270)</u>
TOTAL FUNDS	<u>1,846,656</u>	<u>(1,884,406)</u>	<u>15,480</u>	<u>(22,270)</u>

20. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2022.

21. FRC ETHICAL STANDARD - PROVISIONS AVAILABLE FOR SMALL ENTITIES

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.

22. ULTIMATE 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.

**The Aldershot Garrison Pre-School
Settings**

**Detailed Statement of Financial Activities
for the Year Ended 31 August 2022**

	2022 £	2021 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	1,282	7,772
Other trading activities		
Photo/video/book commission	1,132	667
Income from fund raising	1,864	1,289
Sundry income	200	155
	<u>3,196</u>	<u>2,111</u>
Investment income		
Investment income	6,880	5,114
Bank interest receivable	382	76
	<u>7,262</u>	<u>5,190</u>
Charitable activities		
EYE funding and fees	1,010,249	786,900
Grants	9,356	13,338
	<u>1,019,605</u>	<u>800,238</u>
Total incoming resources	<u>1,031,345</u>	<u>815,311</u>
EXPENDITURE		
Investment management costs		
Management charges	2,877	2,489
Charitable activities		
Wages	759,642	736,370
Social security	37,190	41,688
Pensions	10,825	11,854
Catering	36,020	22,813
Play aids	12,193	4,010
Children's stationery	1,282	2,294
Water centres	55	1,193
Bad debts	3,587	2,706
Staff gifts and functions	2,379	2,173
Children's activities	10,466	1,541
Staff training	2,925	5,556
Sundries	223	-
Donations	65	-
	<u>876,852</u>	<u>832,198</u>
Support costs		
Management		
Ofsted registration	325	464
Carried forward	325	464

This page does not form part of the statutory financial statements

**The Aldershot Garrison Pre-School
Settings**

**Detailed Statement of Financial Activities
for the Year Ended 31 August 2022**

	2022 £	2021 £
Management		
Brought forward	325	464
Accountancy fees	17,625	22,614
Legal and professional fees	7,181	8,560
Advertising	198	-
Insurance	5,572	7,246
	<u>30,901</u>	<u>38,884</u>
Finance		
Bank charges	1,893	1,142
Information technology		
Internet	528	2,430
Computer and copier	14,503	15,162
Telephone	3,695	3,228
	<u>18,726</u>	<u>20,820</u>
Other		
Postage and stationery	1,273	560
DBS checks and recruitment costs	1,838	616
Uniforms	387	2,166
Health and safety	438	476
Cleaning and hygiene	1,317	1,689
Settings consumables and maintenance	4,381	5,089
Travel and subsistence	2,904	-
Depreciation of improvements to property	8,568	8,567
Depreciation of fixtures and fittings	2,419	836
	<u>23,525</u>	<u>19,999</u>
Governance costs		
Auditors' remuneration	7,560	6,540
Total resources expended	<u>962,334</u>	<u>922,072</u>
Net income/(expenditure)	<u>69,011</u>	<u>(106,761)</u>

This page does not form part of the statutory financial statements