

**Report of the Trustees and
Financial Statements for the Year Ended 31 August 2023
for
St John's Nursery Group CIO**

Warren House Accountants Limited
4 The Courtyard
Holmsted Farm
Staplefield Road
Haywards Heath
RH17 5JF

St John's Nursery Group CIO

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for the Year Ended 31 August 2023**

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St John's Nursery Group CIO
Report of the Trustees
for the Year Ended 31 August 2023

The trustees present their report with the financial statements of the charity for the year ended 31 August 2023. 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 charity exists to advance the education of children below compulsory school age by providing satisfactory group play in a safe and secure environment. It aims to ensure to the best of its ability that excellent facilities and pre-school education are provided to each child who attends the nursery.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

This year, we have seen a welcome return to stability following the disruptions caused by the COVID-19 response. This has allowed us to better plan for the future. At the same time, we see that many parents are more cost-sensitive now than ever before, which we attribute to the increased cost of living. Like many organisations, we have seen input costs rise significantly, particularly utilities and wage costs.

As we moved through the year, it became apparent that we had no choice but to close the church hall site. We made this decision before Easter and closed the site in July at the end of the nursery year. We appreciate the many kind words from parents and the hard work of all the staff, for whom this was a challenging experience.

As we described at the time, we made this decision because we could not attract the volume of admissions needed to cover our costs, and three challenging years had depleted our ability to operate the site at a loss. We believe the underlying demand for high-quality nursery provision will return to pre-pandemic levels, but likely not until further easing of cost-of-living pressures. It is not obvious when this will happen. We are grateful for the support of Surrey County Council during this process, as well as our professional staff and supportive partners.

In addition to closing our site at the church hall, our site at the lodge was inspected by Ofsted on 14th July. The team received a "Good" in all categories, and the inspector highlighted many strong aspects of our nursery. The team worked incredibly hard to achieve this rating in an inspection that occurred while we were closing the Church Hall, and we are grateful that they performed so well despite the circumstances.

Outside of these events, life has continued as normal at the nursery. We see that patterns of nursery demand have settled post-pandemic, with some changes in structure likely due to different ways of working. In general, our underlying costs continue to rise, and we expect that to continue in the medium term. We are working carefully to contain costs as best we can and limit price rises to working parents to only what is necessary. As a charity, we do not make a profit. We also have to work within the context of funding rates set by SCC and driven by central government.

Looking to the future, we want to continue to refine our offer to the local community. This includes better understanding their needs and finding innovative ways to create enriching opportunities for children. Recognising the increasing SEN demand in our area, we plan to continue our proven team in identifying additional needs for our children, and support available for them and their families. We will also continue to develop our links with local charities to ensure that high-quality early years provision is available to families from all backgrounds.

Our strong team is essential to our ability to deliver on our commitments. We are confident that we are moving forward with ambitious and capable staff in the right structure. We will continue to innovate around our offer and present a clear picture of why we are the best choice for parents. We also want to continue to offer the best structure for children - we will not compromise on the quality of our care. We will do this while we maintain the financial discipline needed to ensure long-term sustainability despite challenging macroeconomic conditions.

With thanks to all of our parents, children and staff, and best wishes for the year ahead.

St John's Nursery Group CIO

Report of the Trustees for the Year Ended 31 August 2023

FINANCIAL REVIEW

Reserves policy

The current policy established by the trustees is that the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should be equal to one month's operating costs plus redundancy costs.

Current redundancy costs are £4,200 and one month's operating costs are reduced to £16,000 due to the closure of the second site.

This year the free reserves, which amount to £29,114 are in excess of this target level.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is controlled by its governing constitution, using the Charity commission CIO 'Association' model template.

Organisational structure

The members of the Management Committee are as follows:

Chris Kelly	Chairman
Jonathan Cottrell	Treasurer
Vick Edwards	Secretary

Trustees and Management Committee members self-nominate for roles and are voted in at the charity's Annual General Meeting.

Advice and information

The nursery is a member of the Pre-School Learning Alliance (PLA) and as such is able to benefit from PLA training sessions in addition to free advice, both legal and otherwise. The nursery is registered with social services and is inspected by OFSTED.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1163181

Principal address

Redstone Lodge
Philanthropic Road
Redhill
Surrey
RH1 4DG

Trustees

J Cottrell
C Kelly
Ms V Edwards

Independent Examiner

P R Collins
Warren House Accountants Limited
4 The Courtyard
Holmsted Farm
Staplefield Road
Haywards Heath
RH17 5JF

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

.....
C Kelly - Trustee

**Independent Examiner's Report to the Trustees of
St John's Nursery Group CIO**

Independent examiner's report to the trustees of St John's Nursery Group CIO

I report to the charity trustees on my examination of the accounts of St John's Nursery Group CIO (the Trust) for the year ended 31 August 2023.

Responsibilities and basis of report

As the charity trustees of the Trust you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the Trust's accounts carried out under Section 145 of the Act and in carrying out my examination I have followed all applicable Directions given by the Charity Commission under Section 145(5)(b) of the Act.

Independent examiner's statement

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

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the Trust as required by Section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

P R Collins
The Institute of Chartered Accountants in England and Wales

Warren House Accountants Limited
4 The Courtyard
Holmsted Farm
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Haywards Heath
RH17 5JF

Date:

St John's Nursery Group CIO

**Statement of Financial Activities
for the Year Ended 31 August 2023**

		Unrestricted fund £	Restricted fund £	31.8.23 Total funds £	31.8.22 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Charitable activities					
Grants Receivable		177,812	-	177,812	145,468
Charitable Activities		100,999	-	100,999	97,904
Other trading activities	2	608	-	608	314
Other income		2,150	-	2,150	-
Total		<u>281,569</u>	<u>-</u>	<u>281,569</u>	<u>243,686</u>
EXPENDITURE ON					
Charitable activities					
Charitable Activities		252,619	-	252,619	264,832
Support Costs		27,206	-	27,206	25,292
Total		<u>279,825</u>	<u>-</u>	<u>279,825</u>	<u>290,124</u>
NET INCOME/(EXPENDITURE)		1,744	-	1,744	(46,438)
RECONCILIATION OF FUNDS					
Total funds brought forward		27,370	-	27,370	73,808
TOTAL FUNDS CARRIED FORWARD		<u>29,114</u>	<u>-</u>	<u>29,114</u>	<u>27,370</u>

The notes form part of these financial statements

St John's Nursery Group CIO

**Statement of Financial Position
31 August 2023**

	Notes	Unrestricted fund £	Restricted fund £	31.8.23 Total funds £	31.8.22 Total funds £
FIXED ASSETS					
Tangible assets	6	2,307	-	2,307	3,804
CURRENT ASSETS					
Debtors	7	5,191	-	5,191	1,876
Cash in hand		27,881	-	27,881	31,956
		<u>33,072</u>	<u>-</u>	<u>33,072</u>	<u>33,832</u>
CREDITORS					
Amounts falling due within one year	8	(6,265)	-	(6,265)	(10,266)
NET CURRENT ASSETS		<u>26,807</u>	<u>-</u>	<u>26,807</u>	<u>23,566</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>29,114</u>	<u>-</u>	<u>29,114</u>	<u>27,370</u>
NET ASSETS		<u>29,114</u>	<u>-</u>	<u>29,114</u>	<u>27,370</u>
FUNDS	10				
Unrestricted funds				29,114	27,370
TOTAL FUNDS				<u>29,114</u>	<u>27,370</u>

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

.....
C Kelly - Trustee

St John's Nursery Group CIO

Notes to the Financial Statements for the Year Ended 31 August 2023

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charity, 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 Charities Act 2011. The financial statements have been prepared under the historical cost convention.

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

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of paragraph 3.17(d);
- the requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A.

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.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that 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. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Tangible fixed assets

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

Fixtures and fittings	- 25% on cost
Computer equipment	- 25% on cost

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

St John's Nursery Group CIO

Notes to the Financial Statements - continued for the Year Ended 31 August 2023

2. OTHER TRADING ACTIVITIES

	31.8.23	31.8.22
	£	£
Other Income	608	314
	<u> </u>	<u> </u>

3. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 August 2023 nor for the year ended 31 August 2022.

Trustees' expenses

During the year, £38 (2022: £228) of expenses were reimbursed to the trustees in respect of items purchased on behalf of the charity.

4. STAFF COSTS

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

	31.8.23	31.8.22
	15	15
Nursery Staff	<u> </u>	<u> </u>

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

5. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Charitable activities			
Grants Receivable	145,468	-	145,468
Charitable Activities	97,904	-	97,904
Other trading activities	314	-	314
Total	<u>243,686</u>	<u>-</u>	<u>243,686</u>
EXPENDITURE ON			
Charitable activities			
Charitable Activities	264,832	-	264,832
Support Costs	25,292	-	25,292
Total	<u>290,124</u>	<u>-</u>	<u>290,124</u>
NET INCOME/(EXPENDITURE)	<u>(46,438)</u>	<u>-</u>	<u>(46,438)</u>
RECONCILIATION OF FUNDS			
Total funds brought forward	73,808	-	73,808
TOTAL FUNDS CARRIED FORWARD	<u>27,370</u>	<u>-</u>	<u>27,370</u>

St John's Nursery Group CIO

Notes to the Financial Statements - continued for the Year Ended 31 August 2023

6. TANGIBLE FIXED ASSETS

	Fixtures and fittings £	Computer equipment £	Totals £
COST			
At 1 September 2022 and 31 August 2023	38,193	6,975	45,168
DEPRECIATION			
At 1 September 2022	35,526	5,838	41,364
Charge for year	1,066	431	1,497
At 31 August 2023	36,592	6,269	42,861
NET BOOK VALUE			
At 31 August 2023	1,601	706	2,307
At 31 August 2022	2,667	1,137	3,804

7. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.23 £	31.8.22 £
Other debtors	3,810	495
Prepayments and accrued income	1,381	1,381
	5,191	1,876

8. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.23 £	31.8.22 £
Other creditors	6,265	10,266

9. LEASING AGREEMENTS

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

	31.8.23 £	31.8.22 £
Within one year	18,000	18,000
Between one and five years	72,000	72,000
In more than five years	214,500	232,500
	304,500	322,500

St John's Nursery Group CIO

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2023**

10. MOVEMENT IN FUNDS

	At 1.9.22 £	Net movement in funds £	At 31.8.23 £
Unrestricted funds			
General fund	27,370	1,744	29,114
TOTAL FUNDS	<u>27,370</u>	<u>1,744</u>	<u>29,114</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	281,569	(279,825)	1,744
TOTAL FUNDS	<u>281,569</u>	<u>(279,825)</u>	<u>1,744</u>

Comparatives for movement in funds

	At 1.9.21 £	Net movement in funds £	At 31.8.22 £
Unrestricted funds			
General fund	73,808	(46,438)	27,370
TOTAL FUNDS	<u>73,808</u>	<u>(46,438)</u>	<u>27,370</u>

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

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	243,686	(290,124)	(46,438)
TOTAL FUNDS	<u>243,686</u>	<u>(290,124)</u>	<u>(46,438)</u>

St John's Nursery Group CIO

**Notes to the Financial Statements - continued
for the Year Ended 31 August 2023**

10. MOVEMENT IN FUNDS - continued

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

	At 1.9.21 £	Net movement in funds £	At 31.8.23 £
Unrestricted funds			
General fund	73,808	(44,694)	29,114
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>73,808</u>	<u>(44,694)</u>	<u>29,114</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 £	Movement in funds £
Unrestricted funds			
General fund	525,255	(569,949)	(44,694)
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS	<u>525,255</u>	<u>(569,949)</u>	<u>(44,694)</u>

11. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 August 2023.

St John's Nursery Group CIO

**Detailed Statement of Financial Activities
for the Year Ended 31 August 2023**

	31.8.23 £	31.8.22 £
INCOME AND ENDOWMENTS		
Other trading activities		
Other Income	608	314
Charitable activities		
Fees	99,067	91,175
Hot Lunches	1,005	5,821
Fundraising	927	908
Grants	177,812	145,468
	<hr/>	<hr/>
	278,811	243,372
Other income		
Gain on sale of tangible fixed assets	2,150	-
	<hr/>	<hr/>
Total incoming resources	281,569	243,686
EXPENDITURE		
Charitable activities		
Wages	199,617	200,871
Pensions	2,964	2,685
Session Expenses	7,534	8,962
Hot Lunches	3,896	8,479
Fundraising costs	573	542
Rent and Insurance	38,413	37,498
Training courses	3,341	2,660
Advertising	575	1,630
Sundries	280	220
Refurbishment of new premises	1,112	1,101
Uniform Costs	702	1,285
	<hr/>	<hr/>
	259,007	265,933
Support costs		
Management		
Committee Administration	98	143
Nursery Utilities	11,812	11,120
Telephone	2,926	3,120
Accountancy	2,825	2,474
Website Maintenance	1,575	1,917
Bank Charges	85	84
Depreciation of tangible fixed assets	1,497	5,333
	<hr/>	<hr/>
	20,818	24,191
Total resources expended	<hr/>	<hr/>
	279,825	290,124
Net income/(expenditure)	<hr/>	<hr/>
	1,744	(46,438)

This page does not form part of the statutory financial statements