

# GRANGEWOOD EDUCATIONAL ASSOCIATION

England & Wales · Charity number 803492

## Details

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**Other names** GRANGEWOOD INDEPENDENT SCHOOL

**Status** Registered

**Legal form** Charitable company

**Company number** [02435643](#)

**Registered** 1990-06-15

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Grangewood Independent School  
Chester Road  
London  
E7 8QT

**Phone** 020 8472 3552

**Email** [admin@grangewoodschool.com](mailto:admin@grangewoodschool.com)

**Website** [www.grangewoodschool.com](http://www.grangewoodschool.com)

## Activities

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**Objects:** TO PROMOTE AND PROVIDE FOR THE ADVANCEMENT OF EDUCATION IN ACCORDANCE WITH THE DOCTRINES AND PRINCIPLES OF THE CHRISTIAN FAITH AND IN CONNECTION THEREWITH TO CONDUCT, CARRY ON, ACQUIRE AND DEVELOP IN THE UNITED KINGDOM ANY BOARDING OR DAY SCHOOL OR SCHOOLS FOR THE EDUCATION OF CHILDREN OF EITHER SEX OR BOTH SEXES.

**Activities:** Primary Education

## Classification

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- **How:** Provides Buildings/facilities/open Space
- **What:** Education/training, Religious Activities, Economic/community Development/employment
- **Who:** Children/young People

## Geography

- Area of benefit: NATIONAL
- Newham

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-08-31	£822,492	£954,901	£-214,004	22
2023-08-31	£813,085	£825,496	£-114,920	18
2022-08-31	£612,042	£742,535	£-102,509	16
2021-08-31	£326,427	£509,184	-	-
2020-08-31	£346,218	£531,731	-	-

## Trustees

Name	Role	Appointed
JONES AGYEMAN		2018-08-29
Jenise Jarvis		2018-08-29
Talkmore Mpambawahle		2018-08-29

**GRANGEWOOD EDUCATIONAL ASSOCIATION**

England & Wales - Charity number 803492

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# Accounts

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COMPANY REGISTRATION NUMBER: 02435643

CHARITY REGISTRATION NUMBER: 803492

**Grangewood Educational Association  
Company Limited by Guarantee  
Unaudited Financial Statements  
31 August 2024**

**BURGESS HODGSON LIMITED**

Chartered Accountants  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

# **Grangewood Educational Association**

**Company Limited by Guarantee**

## **Financial Statements**

**Year ended 31 August 2024**

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**Grangewood Educational Association**  
**Company Limited by Guarantee**  
**Trustees' Annual Report (Incorporating the Directors' Report)**  
**Year ended 31 August 2024**

The directors, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 August 2024.

**Reference and administrative details**

**Registered charity name** Grangewood Educational Association

**Charity registration number** 803492

**Company registration number** 02435643

**Principal office and registered office** Grangewood Independent School  
Chester Road  
Forest Gate  
London  
E7 8QT

**The directors**

Mr J Agyeman  
Ms J E E Jarvis

**Independent examiner** Andrew Collyer  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2024

##### Structure, governance and management

The Charity is controlled by its Memorandum and Articles of Association and constitutes a limited company, limited by guarantee as defined by the Companies Act 2011.

The Council of Management, who were the trustees and directors who served throughout the year September 2023 - August 2024, were:

- Mr J. Agyeman (Chair)
- Ms J. Jarvis (Trustee / Director)

It has been another financially challenging academic year for the charity, with our pupil numbers remaining the same for the main school, however the number of our SEND pupils increased slightly. Some of the challenges included delays in the settling of invoice by our debtors, which often led to additional short term interest free loans being secured via helpful supporters to help bridge the shortfall. The government's decision to charge VAT on Independent schools fees from Jan 2025 has also caused anxiety among the parents and will unfortunately result in a reduction in our pupil numbers for the next academic year.

The impact of Cost-of-living Crises continues to affect a number of families, nevertheless, the charity has provided the required support to ensure the welfare, safeguarding and educating of the pupils at the school remain our primary objective.

The trustees, governors, teachers, ancillary staff and external supporters of the school have remained committed, devoted and dedicated to providing and maintaining the high standards expected at the school throughout this period. The trust and support of our parents has been crucial during these challenging times, and their trust and belief in the Charity has been a great source of strength and encouragement.

Significant increases in our staffing cost, rent, insurance, business rates and utilities, coupled with limited increases in our pupil numbers due to the ongoing "Cost-of-living Crises", has led to an increase in our deficit. Our cashflow remains extremely tight and any further delay in the settling of invoices from our debtors in the next academic year could potentially result in the closure of the school/charity.

The Trustees and Board of Governors for the period from the 1st September 2023 to 31 August 2024 were as follows:

- Mr J. Agyeman (Chair)
- Pastor D. Meade (Minister of local Baptist Church)
- Ms A. Green (Parent Governor & Physicist)
- Ms L. Bannis (Secondary teacher and head of department)
- Ms S. McDonald (Parent Governor & office administrator)
- Mr Blankson (Teacher)
- Mr Roberts (School Business Manager)
- Mrs Roberts (Head Teacher)

Our efforts to recover the school to the pre-March 2018 pupil numbers remains challenging, as the economic climate, increases in the operational cost and reputational damage caused by the action of the previous trustees continues to impact the operations of the school.

We are however very grateful for the extraordinary level of commitment, devotion, hard-work and determination of all the people passionate about Grangewood Independent School.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2024

#### Structure, governance and management *(continued)*

##### Vision & Mission Statement

Grangewood Independent School was founded in 1979, and is an independent, co-educational school that provides a unique and multi-faceted educational experience for children of all faiths, from two to eleven years old. 'The attainment of pupils of all ages and abilities including those with SEND or EAL, and those who are more able, is good. In the Early Years Foundation Stage (EYFS), the children reach the expected levels of development, and in many cases, exceed them. National and standardised assessments in English and mathematics show that the small cohorts of pupils achieved above average results. The small size of the school and the family atmosphere enable staff to know pupils well and ensure that pupils' individual needs are met. They make good progress because teachers have a good knowledge of their strengths and weaknesses; as a result, pupils are aware of their individual targets from the frequent feedback they receive. 'Overall pupils' attainment is above age-related expectations, so that pupils successfully gain places at senior school with competitive entry requirements.' (Quote from last ISI Integrated Inspection of Grangewood Independent, Sept 2023).

The vision of Grangewood is to establish a truly caring community to act as an extended family engendering mutual standards and objectives to foster pleasure in all achievements: 'Unlocking Potential with Excellence as our Hallmark' thus inspiring success, developing excellence, forming character and nurturing diligence.

The School's educational provision contains values which mirror Christian truths and are in accordance with the Articles of Faith. We maintain that the principles of FAITH, GROWTH, INDUSTRY, CARE and DISCIPLINE should be promoted in every pupil.

##### Mission Statement

Grangewood Independent School was established to promote:

- FAITH - A faith in the Lord Jesus Christ in every pupil that will equip them emotionally, spiritually and socially to face all of life's challenges.
- GROWTH - Growth is fostered in pupils by providing increasing opportunities for accepting responsibility during their passage through the School. Pupils are given the opportunity to move into leadership roles in the academic, sporting, cultural or administrative aspects of the School.
- INDUSTRY - Industry is practiced through a challenging academic programme offered to pupils through the curriculum, the development of physical agility through sport and the promotion of creative and artistic abilities.
- CARE - Care is an essential part of Grangewood Independent. The School's pastoral programme reflects many of the traditional moral values and seeks to support the family unit and to teach Christian values.
- DISCIPLINE - Discipline is a valued ingredient at Grangewood. The standards are clearly defined through school culture and expressed in a policy that recognises the rights of every individual to feel safe, comfortable and free to achieve the highest levels of success in each part of the many facets of school life. The key to the maintenance of this environment at Grangewood is the development of self-discipline and an appreciation of others.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2024

#### Structure, governance and management *(continued)*

##### Organisational Structure

The Association is a registered charity with a Christian ethos and is managed by the Board of Trustees.

The Association wholly owns Grangewood Independent School. The school is managed by the Board of Governors who are appointed by the trustees of the association. The Governors are responsible for the day-to-day management of the school as prescribed in the governors' constitution and subject to the overview and approval of the trustees.

##### Objectives and activities

###### Our Aims:

The school is dedicated to the provision of quality primary education in a deprived area of East London.

- To promote and teach Christian values within the framework of a structured curriculum.
- To teach the values of social responsibility and respect for others thus improving the quality of good citizenship within the community.
- To provide a structured educational environment that will ensure that pupils develop their competence and skills (academic, artistic, linguistic, and musical) to the limit of their ability.
- To promote health and fitness of pupils by including physical exercise and organised sport activities both within the curriculum and in out-of-school events.

###### Our Objectives:

In setting out objectives and planning activities, the Trustees and Governors have given due consideration to the Charities Commission's guidance on public benefit.

- To restrict class sizes to a maximum of 20 children per class thus enabling a high level of individual pastoral care and educational tuition.
- To enhance and improve before and after school care provision for children.
- To increase numbers of pupils on roll and by so doing increase income to a level which will allow some financial aid being offered to those families who cannot afford the going rate of fees charged.
- To increase our involvement in community regeneration activities.
- To allow use of our school premises for suitable community and/or charitable purposes.<sup>new line]</sup>
- To continue collaboration with local councillors, local authority and partnerships to improve state education and social mobility.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2024

#### Objectives and activities *(continued)*

#### Ethos, Strategy and Policies

Grangewood Independent is a school with a Christian ethos. It is a requirement that all Trustees, Governors and staff protect and enhance this ethos. Children from other faith backgrounds are welcome as pupils at Grangewood, providing that their parents/guardians are aware of and accept our Christian ethos. All children will be given the same level of care and attention regardless of their faith, race, gender, or sexual orientation. The Board of Trustees have overall responsibility for ensuring that no school activities are in conflict with our published ethos.

Matters relating to operational procedures, methods and all other operational activities will be dealt with by the Board of Governors. Significant Items agreed by Governors may be presented to the Trustees for approval at the discretion of the chairman of the governors.

Trustees and Governors will regularly review, plan and sanction where applicable the following:

- Curriculum content, teaching practices and performance and examination results
- Pre and post school day care provision
- Community projects in which we wish to participate
- Investments in the resources and infrastructure of the school
- Staff remuneration
- School fees adjustments and discounts
- Development of method for awarding bursaries when this becomes affordable
- School development and promotion plans

Grangewood Educational Association is a charitable trust which seeks to benefit the community through the pursuit of its stated aims. Our fees are set at the minimum level needed to attract sufficient student numbers in an attempt to ensure the financial viability of Grangewood School and at a level that is consistent with our aim to provide a first-class education to both boys and girls of primary school age.

To admit a prospective pupil, we need to be satisfied that we will be able to educate and develop that pupil to the best of their potential and in line with the general standards achieved by their peers. To this end, entrance interview and classroom assessments are undertaken to satisfy ourselves and parents that the child can cope with the pace of learning and benefit from the education that we provide. Gender, ethnicity, race, religion, disability, or economic status of parents/guardians do not form part of our assessment procedures.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination.

Grangewood Independent School is committed to safeguarding and promoting the welfare of its pupils. All staff and volunteers are expected to share this commitment and are helped through training and sound governance to actively play their part in protecting children from harm and promoting their welfare.

We are committed to providing a safe and secure environment for learning and have a zero-tolerance policy on all forms of bullying and anti-social behaviour. All staff and volunteers are committed to these principles.

We are accredited by the Independent School Association (ISA) and are inspected by the Independent Schools Inspectorate (ISI).

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2024

#### Objectives and activities *(continued)*

##### Access Policy

We are exploring new and innovative ways of offering access to the school to all of the local community regardless of ability to pay. We have investigated supplementing the hours included in the Government funded Early Years Childcare scheme in every attempt to increase accessibility, as well as planning to spearhead projects which will benefit the community and generate sufficient surplus income to increase the number of bursaries available at the school.

In order to make it possible for as many lower income families as possible to benefit from the services of the school, we have elected to keep our base fee structure at a level which just recovers our total operating cost. Fee increases are measured to minimise any adverse impact on our current population and make the school less affordable to a number of families who currently support the school. Some of our parents already make personal sacrifices in order to meet the charges.

##### Risk Management

The Trustees understand the duty they have to identify and review the risks to which the Association is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

##### Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

##### Achievements and performance

###### End of Key Stage Outcomes 2023/2024:

During 2023/24 our Reception data (Early Years Foundation Stage Profile data) was moderated by the Local Authority (Newham) and KS2 SATs and writing was moderated by Hackney Local Authority.

EYFS - Expected 60%

KS1 - Expected 100%

KS2 - Expected 93.4%

The education on offer at Grangewood means that we are able to stretch the more able and guide our students to higher-than-expected progress, as well as successfully turning around children who transfer from other schools with behavioural or SEN needs.

###### Secondary School Transitions:

67% of students entered for 11+ examinations received pass grades and were offered Grammar school places. 100% of students entered for Common Entrance examinations received pass marks and were offered scholarships and bursaries at their first-choice schools.

###### PE & Sport:

All students from EYFS to Y6 continued to enjoy a diverse array of fully inclusive in-house sports and P.E. opportunities.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2024

*(continued)*

#### **Nursery Provision:**

We continue to offer part-time two-year-old provision, flexible "30 hours of free childcare" for working parents of three- and four-year olds and increased wrap around care through our Extended Hours Clubs, which have increased our accessibility for local families.

#### **School Travel Plan:**

The promotion of cycling, scooting and walking as healthy, environmentally friendly, and fun ways to get to school remain a central part of our School Travel Plan.

#### **PSHE & Citizenship:**

Our Year Five and Year Six students continue to participate in Newham's Faith in Schools project and support local primary school pupils in developing a better understanding of events such as Christmas and Easter.

#### **SEN Resource Provision:**

Since the introduction of our specialist resource provision for children with autism at the end of 2021, the number of pupils within the provision has grown steadily, along with the number of staff. Our unit provides 1:1 individualised education for children in Year 1 to Year 6 and can accommodate up to 16 pupils, using precise teaching methodology, which documents the number of skills learned each week, and regular analysis of the data to facilitate continual pupil progress. Leaders ensure that the effective provision for pupils who have SEND is delivered by experienced practitioners. Leaders and teachers have developed comprehensive and effective support programmes, which are carefully matched to the individual and specific needs of each pupil. These include the support, where appropriate, of specifically trained therapists. (Quote from last ISI Integrated Inspection of Grangewood Independent, Sept 2023).

#### **Links:**

Students spent another year raising funds for local charities through Book Character Fund raising and non-uniform days.

We have well established links with local universities and further education colleges.

#### **Financial review**

The attached financial statements together with notes show the incoming and outgoing sources for the year and state of affairs at the Balance Sheet date. Net deficit for the year was £99,084 (2023 - net deficit for the year was £12,411).

The principal source of income was school fees which represented around 95% of total incoming resources. Included in the remaining income was:

- £ 33,325 Other Income (Rental, Music, etc)
- £ 9,694 School Meals Income
- £ 40 Donations

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2024

*(continued)*

#### Application of Funds:

As an educational charity, for the period covered by this set of Accounts (Sept 2023 - Aug 2024), the Association enjoyed tax exemption on activities, provided that these benefits are applied towards charitable aims. The Association also received a reduction in business rates. The financial benefits of these exemptions are applied for educational purposes.

#### Reserves Policy

The charity aims to maintain reserves of £370,000 to ensure sufficient funds to cover the rent and operational costs for two school terms., however given the financial pressures that the school has recently experienced, we have reduced the reserves down to £200,000 in order to allow us some flexibility to manage cashflow challenges. This target is currently not being met but plans are in place to turn this around and improve the position going forward.

#### Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and resources and application of resources, including the income and expenditure, for that period.

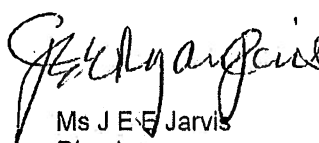
In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business..

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

The trustees' annual report (incorporating the directors' report) and the strategic report were approved on ..... and signed on behalf of the board of trustees by:

  
Mr J Agyeman  
Director

  
Ms J E E Jarvis  
Director

# Grangewood Educational Association

Company Limited by Guarantee

## Independent Examiner's Report to the Directors of Grangewood Educational Association

Year ended 31 August 2024

I report to the directors on my examination of the financial statements of Grangewood Educational Association ('the charity') for the year ended 31 August 2024.

### Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

### Independent examiner's qualified statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

# Grangewood Educational Association

## Company Limited by Guarantee

### Independent Examiner's Report to the Directors of Grangewood Educational Association *(continued)*

Year ended 31 August 2024

The accounts have been prepared on a going concern basis, however, as noted on page 16 there is a material uncertainty regarding going concern.

I note that the trustees are taking mitigating actions to improve performance, but am unable to confirm whether this will be sufficient to recover the negative funds position and ensure liabilities are met as they fall due. I also note that if a basis other than going concern were to be used, this would not materially affect the value of the assets and liabilities in the financial statements. As such my opinion for the independent examiner's report remains unmodified.

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

(1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or

(2) the accounts do not accord with those accounting records; or

(3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or

(4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities.

I have no concerns and have come across no matters, other than the material uncertainty in respect of going concern, 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.



Andrew Collyer  
Independent Examiner

Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

27/8/25

# Grangewood Educational Association

## Company Limited by Guarantee

### Statement of Financial Activities (Including income and expenditure account)

Year ended 31 August 2024

		2024		2023
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	5	855,817	855,817	813,085
<b>Total income</b>		<u>855,817</u>	<u>855,817</u>	<u>813,085</u>
<b>Expenditure</b>				
Expenditure on raising funds:				
Costs of raising donations and legacies	6	269,532	269,532	243,265
Expenditure on charitable activities	7,8	(672,619)	(672,619)	(580,855)
Other expenditure	10	2,150	2,150	1,376
<b>Total expenditure</b>		<u>944,301</u>	<u>944,301</u>	<u>825,496</u>
<b>Net expenditure and net movement in funds</b>		<u>(88,484)</u>	<u>(88,484)</u>	<u>(12,411)</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		(114,920)	(114,920)	(102,509)
<b>Total funds carried forward</b>		<u>(203,404)</u>	<u>(203,404)</u>	<u>(114,920)</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

# Grangewood Educational Association

## Company Limited by Guarantee

### Statement of Financial Position

31 August 2024

	Note	2024 £	2023 £
<b>Current assets</b>			
Debtors	15	175,960	71,241
Cash at bank and in hand		39,239	37,484
		<u>215,199</u>	<u>108,725</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>418,603</u>	<u>223,645</u>
<b>Net current liabilities</b>		<u>203,404</u>	<u>114,920</u>
<b>Total assets less current liabilities</b>		<u>(203,404)</u>	<u>(114,920)</u>
<b>Net liabilities</b>		<u>(203,404)</u>	<u>(114,920)</u>
<b>Funds of the charity</b>			
Unrestricted funds		(203,404)	(114,920)
<b>Total charity funds</b>	18	<u>(203,404)</u>	<u>(114,920)</u>

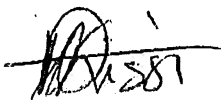
For the year ending 31 August 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

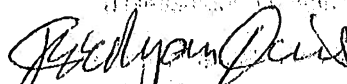
#### Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on ..... and are signed on behalf of the board by:

  
Mr J Agyeman  
Director

  
Ms J E E Jarvis  
Director

# Grangewood Educational Association

## Company Limited by Guarantee

### Statement of Cash Flows

Year ended 31 August 2024

	2024	2023
	£	£
<b>Cash flows from operating activities</b>		
Net expenditure	(88,484)	(12,411)
<i>Changes in:</i>		
Trade and other debtors	(104,719)	(47,850)
Trade and other creditors	194,958	95,227
Cash generated from operations	<u>1,755</u>	<u>34,966</u>
Net cash from operating activities	<u>1,755</u>	<u>34,966</u>
<b>Net increase in cash and cash equivalents</b>	1,755	34,966
<b>Cash and cash equivalents at beginning of year</b>	<u>37,484</u>	<u>2,518</u>
<b>Cash and cash equivalents at end of year</b>	<u>39,239</u>	<u>37,484</u>

The notes on pages 14 to 21 form part of these financial statements.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements

Year ended 31 August 2024

#### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Grangewood Independent School, Chester Road, Forest Gate, London, E7 8QT.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2024

#### 3. Accounting policies *(continued)*

##### Going concern

The directors have considered going concern and assessed the possibility of cash running out as the historic data has shown the funds reducing year on year.

Based on their review they accept there is a material uncertainty on the charity's ability to continue however they are taking positive mitigating actions to generate the necessary reserves to prevent this from being the case.

These actions include:

##### Action 1:

The School has opened a SEND unit with capacity to accommodate up to 16 pupils with acute autistic needs requiring specialist 1-to-1 supervision and bespoke learning plans and styles. Should full capacity be achieved within the next 18 months, this will generate significant revenues. We currently have 12 pupils, with 1 more expected to start in the coming months where 1 offer has already been made.

##### Action 2:

The school has recently entered into a new energy supply contract which will reduce electricity costs by 25% for the next 2 years. The school will also be seeking to renegotiate the gas contract which is due to be renewed in November 2024 to further decrease costs.

##### Action 3:

Supplementing and leveraging the school's staffing capabilities by using volunteers to cover non-core activities has saved approximately £18k per year.

##### Action 4:

The school has got 7 years left of their lease so that the school can be heavily marketed to prospective parents who may be concerned by the ongoing tenancy discussions with the landlord.

The directors and staff continue to look at where income can be generated and costs can be reduced to ensure that the School is a going concern. The accounts have been prepared on a going concern basis as the directors believe the charity will be able to generate the funds necessary to continue to meet liabilities as they fall due.

##### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2024

#### 3. Accounting policies *(continued)*

##### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the directors for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2024

#### 3. Accounting policies *(continued)*

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 20% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

##### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Short term debtors and creditors are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2024

#### 4. Limited by guarantee

The company is a private company limited by guarantee and has no share capital. Each member will undertake to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up, either whilst a member or within one year of ceasing to be a member.

#### 5. Donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
<b>Donations</b>				
Fees receivable	812,758	812,758	751,760	751,760
Donations	40	40	2,069	2,069
School meals	9,694	9,694	7,692	7,692
<b>Other donations and legacies</b>				
Other income	33,325	33,325	51,564	51,564
	<u>855,817</u>	<u>855,817</u>	<u>813,085</u>	<u>813,085</u>

#### 6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Costs of raising donations and legacies				
- Donations	269,532	269,532	243,265	243,265

#### 7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2024 £	Unrestricted Funds £	Total Funds 2023 £
Support costs	672,619	672,619	580,855	580,855

#### 8. Expenditure on charitable activities by activity type

	Support costs £	Total funds 2024 £	Total fund 2023 £
Education	545,267	545,267	485,869
Governance costs	127,352	127,352	94,986
	<u>672,619</u>	<u>672,619</u>	<u>580,855</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2024

#### 9. Analysis of support costs

	Analysis of support costs for education	Total 2024	Total 2023
	£	£	£
Staff costs	283,811	283,811	227,499
Premises	165,972	165,972	212,294
Communications and IT	15,046	15,046	17,695
General office	5,620	5,620	13,437
Governance costs	127,815	127,815	94,986
Other costs	38,742	38,742	14,944
	<u>637,006</u>	<u>637,006</u>	<u>580,855</u>

#### 10. Other expenditure

	Unrestricted Funds	Total Funds 2024	Unrestricted Funds	Total Funds 2023
	£	£	£	£
Bank fees	<u>2,150</u>	<u>2,150</u>	<u>1,376</u>	<u>1,376</u>

#### 11. Independent examination fees

	2024	2023
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,650</u>	<u>1,595</u>

#### 12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2024	2023
	£	£
Wages and salaries	<u>547,551</u>	<u>461,787</u>

The average head count of employees during the year was 20 (2023: 18). The average number of full-time equivalent employees during the year is analysed as follows:

	2024	2023
	No.	No.
Number of full time staff	<u>20</u>	<u>18</u>

No employee received employee benefits of more than £60,000 during the year (2023: Nil).

#### 13. Trustee remuneration and expenses

No remuneration was received by the trustees during the year (2023: nil).

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2024

#### 14. Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
At 1 September 2023 and 31 August 2024	<u>60,618</u>
<b>Depreciation</b>	
At 1 September 2023 and 31 August 2024	<u>60,618</u>
<b>Carrying amount</b>	
At 31 August 2024	<u>–</u>
At 31 August 2023	<u>–</u>

#### 15. Debtors

	2024 £	2023 £
Trade debtors	142,076	26,730
Prepayments and accrued income	32,964	44,511
Other debtors	920	–
	<u>175,960</u>	<u>71,241</u>

#### 16. Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	109,914	102,300
Accruals and deferred income	204,267	36,012
Social security and other taxes	11,997	5,550
Other creditors	92,425	79,783
	<u>418,603</u>	<u>223,645</u>

#### 17. Deferred income

	2024 £	2023 £
At 1 September 2023	31,812	8,627
Amount released to income	(31,812)	(8,627)
Amount deferred in year	200,067	31,812
<b>At 31 August 2024</b>	<u>200,067</u>	<u>31,812</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2024

#### 18. Analysis of charitable funds

##### Unrestricted funds

	At 1 September 2023	Income £	Expenditure £	At 31 August 20 24
General funds	(114,920)	<u>855,817</u>	<u>(944,301)</u>	<u>(203,404)</u>

	At 1 September 2022	Income £	Expenditure £	At 31 August 20 23
General funds	(102,509)	<u>813,085</u>	<u>(825,496)</u>	<u>(114,920)</u>

#### 19. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2024 £
Current assets	215,199	215,199
Creditors less than 1 year	<u>(418,603)</u>	<u>(418,603)</u>
<b>Net liabilities</b>	<u>(203,404)</u>	<u>(203,404)</u>

	Unrestricted Funds £	Total Funds 2023 £
Current assets	108,725	108,725
Creditors less than 1 year	<u>(223,645)</u>	<u>(223,645)</u>
<b>Net liabilities</b>	<u>(114,920)</u>	<u>(114,920)</u>

#### 20. Analysis of changes in net debt

	At 1 Sep 2023 £	Cash flows £	At 31 Aug 2024 £
Cash at bank and in hand	<u>37,484</u>	<u>1,755</u>	<u>39,239</u>



**GRANGEWOOD EDUCATIONAL ASSOCIATION**

England & Wales - Charity number 803492

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# Accounts

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**COMPANY REGISTRATION NUMBER: 02435643**

**CHARITY REGISTRATION NUMBER: 803492**

**Grangewood Educational Association  
Company Limited by Guarantee  
Unaudited Financial Statements  
31 August 2023**

**BURGESS HODGSON LLP**

Chartered Accountants  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

# **Grangewood Educational Association**

## **Company Limited by Guarantee**

### **Financial Statements**

**Year ended 31 August 2023**

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# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 August 2023

The directors, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 August 2023.

#### Reference and administrative details

**Registered charity name** Grangewood Educational Association

**Charity registration number** 803492

**Company registration number** 02435643

**Principal office and registered office** Grangewood Independent School  
Chester Road  
Forest Gate  
London  
E7 8QT

#### The directors

Mr J Agyeman  
Mr T Mpambawahle (Resigned 1 January 2023)  
Ms J E E Jarvis

**Independent examiner** Andrew Collyer  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2023

##### Structure, governance and management

The Charity is controlled by its Memorandum and Articles of Association and constitutes a limited company, limited by guarantee as defined by the Companies Act 2011.

The Council of Management, who were the trustees and directors who served throughout the year September 2022 - August 2023, were:

- Mr J. Agyeman (Chair)
- Ms J. Jarvis (Trustee / Director)

Over the past 12 months, the charity has experienced an overall reduction in enquiries for new students (however our SEN enquiries has increased significantly), our pupil numbers has reduced slightly and the income from non-core activities had remained the same, however the operational cost has increase significantly (namely due increases to the cost of insurance, utilities, IT and salary). All of this has resulted a reduction in our deficit from £130k approximately to £12.4k approximately.

The cost-of-living Crises has also affected a small number of families, nevertheless, the charity has provided the required support to the families, to ensure the welfare, safeguard and educating of the pupils have remained our primary objective.

Throughout this period, the trustees, governors, teachers and ancillary staff have remained committed, devoted and dedicated to providing and maintaining the high standards expected at the school. Furthermore, the support of our parents has been crucial during these challenging times, and their trust and belief in the Charity has been a great source of strength and encouragement.

The trustees, governors, teachers and other staff have fulfilled the objectives of the charity, along with cultivating an environment where children can thrive in their educational attainment and holistic growth.

The Trustees and Board of Governors for the period from the 1st September 2022 to 31 August 2023 were as follows:

- Mr J. Agyeman (Chair)
- Pastor D. Meade (Minister of local Baptist Church)
- Ms A. Green (Parent Governor & Physicist)
- Ms L. Bannis (Secondary teacher and head of department)
- Ms S. McDonald (Parent Governor & office administrator)
- Mr Blankson (Teacher)
- Mr Roberts (School Business Manager)
- Mrs Roberts (Head Teacher)

Due to the extraordinary level of commitment, devotion, hard-work and determination of all the people passionate about Grangewood Independent School, we have continued to make good progress in our recovery plan, considering the tumultuous and devastating actions of the previous trustees whose report to the Charity Commission stated categorically that "the charity's poor finances warranted the immediate closure of the school by the 31 March 2018". Unfortunately, we are still experiencing the impact of of this action nearly 5 years later.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2023

#### Structure, governance and management *(continued)*

##### Vision & Mission Statement

Grangewood Independent School was founded in 1979, and is an independent, co-educational school that provides a unique and multi-faceted educational experience for children of all faiths, from two to eleven years old. 'The attainment of pupils of all ages and abilities including those with SEND or EAL, and those who are more able, is good. In the Early Years Foundation Stage (EYFS), the children reach the expected levels of development, and in many cases, exceed them. National and standardised assessments in English and mathematics show that the small cohorts of pupils achieved above average results. The small size of the school and the family atmosphere enable staff to know pupils well and ensure that pupils' individual needs are met. They make good progress because teachers have a good knowledge of their strengths and weaknesses; as a result, pupils are aware of their individual targets from the frequent feedback they receive. All parents who responded to the pre-inspection questionnaire said that the teaching enables their children to make good progress and develop skills for their future, and that their children's educational needs are met effectively' (Quote from last ISI Integrated Inspection of Grangewood Independent, May 2019).

The vision of Grangewood is to establish a truly caring community to act as an extended family engendering mutual standards and objectives to foster pleasure in all achievements: 'Unlocking Potential with Excellence as our Hallmark' thus inspiring success, developing excellence, forming character and nurturing diligence.

The School's educational provision contains values which mirror Christian truths and are in accordance with the Articles of Faith. We maintain that the principles of FAITH, GROWTH, INDUSTRY, CARE and DISCIPLINE should be promoted in every pupil.

##### Mission Statement

Grangewood Independent School was established to promote:

- FAITH - A faith in the Lord Jesus Christ in every pupil that will equip them emotionally, spiritually and socially to face all of life's challenges.
- GROWTH - Growth is fostered in pupils by providing increasing opportunities for accepting responsibility during their passage through the School. Pupils are given the opportunity to move into leadership roles in the academic, sporting, cultural or administrative aspects of the School.
- INDUSTRY - Industry is practiced through a challenging academic programme offered to pupils through the curriculum, the development of physical agility through sport and the promotion of creative and artistic abilities.
- CARE - Care is an essential part of Grangewood Independent. The School's pastoral programme reflects many of the traditional moral values and seeks to support the family unit and to teach Christian values.
- DISCIPLINE - Discipline is a valued ingredient at Grangewood. The standards are clearly defined through school culture and expressed in a policy that recognises the rights of every individual to feel safe, comfortable and free to achieve the highest levels of success in each part of the many facets of school life. The key to the maintenance of this environment at Grangewood is the development of self-discipline and an appreciation of others.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2023

#### Structure, governance and management *(continued)*

##### Organisational Structure

The Association is a registered charity with a Christian ethos and is managed by the Board of Trustees.

The Association wholly owns Grangewood Independent School. The school is managed by the Board of Governors who are appointed by the trustees of the association. The Governors are responsible for the day-to-day management of the school as prescribed in the governors' constitution and subject to the overview and approval of the trustees.

##### Objectives and activities

##### Our Aims:

The school is dedicated to the provision of quality primary education in a deprived area of East London.

- To promote and teach Christian values within the framework of a structured curriculum.
- To teach the values of social responsibility and respect for others thus improving the quality of good citizenship within the community.
- To provide a structured educational environment that will ensure that pupils develop their competence and skills (academic, artistic, linguistic, and musical) to the limit of their ability.
- To promote health and fitness of pupils by including physical exercise and organised sport activities both within the curriculum and in out-of-school events.

##### Our Objectives:

In setting out objectives and planning activities, the Trustees and Governors have given due consideration to the Charities Commission's guidance on public benefit.

- To restrict class sizes to a maximum of 20 children per class thus enabling a high level of individual pastoral care and educational tuition.
- To enhance and improve before and after school care provision for children.
- To increase numbers of pupils on roll and by so doing increase income to a level which will allow some financial aid being offered to those families who cannot afford the going rate of fees charged.
- To increase our involvement in community regeneration activities.
- To allow use of our school premises for suitable community and/or charitable purposes.<sup>new line]</sup>
- To continue collaboration with local councillors, local authority and partnerships to improve state education and social mobility.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2023

#### Objectives and activities *(continued)*

#### **Ethos, Strategy and Policies**

Grangewood Independent is a school with a Christian ethos. It is a requirement that all Trustees, Governors and staff protect and enhance this ethos. Children from other faith backgrounds are welcome as pupils at Grangewood, providing that their parents/guardians are aware of and accept our Christian ethos. All children will be given the same level of care and attention regardless of their faith, race, gender, or sexual orientation. The Board of Trustees have overall responsibility for ensuring that no school activities are in conflict with our published ethos.

Matters relating to operational procedures, methods and all other operational activities will be dealt with by the Board of Governors. Significant items agreed by Governors may be presented to the Trustees for approval at the discretion of the chairman of the governors.

Trustees and Governors will regularly review, plan and sanction where applicable the following:

- Curriculum content, teaching practices and performance and examination results
- Pre and post school day care provision
- Community projects in which we wish to participate
- Investments in the resources and infrastructure of the school
- Staff remuneration
- School fees adjustments and discounts
- Development of method for awarding bursaries when this becomes affordable
- School development and promotion plans

Grangewood Educational Association is a charitable trust which seeks to benefit the community through the pursuit of its stated aims. Our fees are set at the minimum level needed to attract sufficient student numbers in an attempt to ensure the financial viability of Grangewood School and at a level that is consistent with our aim to provide a first-class education to both boys and girls of primary school age.

To admit a prospective pupil, we need to be satisfied that we will be able to educate and develop that pupil to the best of their potential and in line with the general standards achieved by their peers. To this end, entrance interview and classroom assessments are undertaken to satisfy ourselves and parents that the child can cope with the pace of learning and benefit from the education that we provide. Gender, ethnicity, race, religion, disability, or economic status of parents/guardians do not form part of our assessment procedures.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination.

Grangewood Independent School is committed to safeguarding and promoting the welfare of its pupils. All staff and volunteers are expected to share this commitment and are helped through training and sound governance to actively play their part in protecting children from harm and promoting their welfare.

We are committed to providing a safe and secure environment for learning and have a zero-tolerance policy on all forms of bullying and anti-social behaviour. All staff and volunteers are committed to these principles.

We are accredited by the Independent School Association (ISA) and are inspected by the Independent Schools Inspectorate (ISI).

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2023

#### Objectives and activities *(continued)*

##### Access Policy

We are exploring new and innovative ways of offering access to the school to all of the local community regardless of ability to pay. We have investigated supplementing the hours included in the Government funded Early Years Childcare scheme in every attempt to increase accessibility, as well as planning to spearhead projects which will benefit the community and generate sufficient surplus income to increase the number of bursaries available at the school.

In order to make it possible for as many lower income families as possible to benefit from the services of the school, we have elected to keep our base fee structure at a level which just recovers our total operating cost. Fee increases are measured to minimise any adverse impact on our current population and make the school less affordable to a number of families who currently support the school. Some of our parents already make personal sacrifices in order to meet the charges.

##### Risk Management

The Trustees understand the duty they have to identify and review the risks to which the Association is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

##### Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

##### Achievements and performance

###### End of Key Stage Outcomes 2022/2023:

During 2022/23 our Reception data (Early Years Foundation Stage Profile data) was moderated by the Local Authority (Newham).

EYFS - Expected 100%

KS1 - Expected 50%

KS2 - Expected 100%

Workings towards Expected 100%

The education on offer at Grangewood means that we are able to stretch the more able and guide our students to higher-than-expected progress, as well as successfully turning around children who transfer from other schools with behavioural or SEN needs.

##### Secondary School Transitions:

No students were entered for 11+ examinations or Common Entrance examinations.

##### PE & Sport:

All students from EYFS to Y6 continued to enjoy a diverse array of fully inclusive in-house sports and P.E. opportunities.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2023

#### **Achievements and performance** *(continued)*

##### **Nursery Provision:**

We continue to offer part-time two-year-old provision, flexible "30 hours of free childcare" for working parents of three- and four-year olds and increased wrap around care through our Extended Hours Clubs, which have increased our accessibility for local families.

##### **School Travel Plan:**

The promotion of cycling, scooting and walking as healthy, environmentally friendly, and fun ways to get to school remain a central part of our School Travel Plan. Students in KS2, including an eligible child in our specialist SEN resource provision, successfully participated in Bikability sessions, aimed at increasing cycling competency and on-road safety.n.

##### **PSHE & Citizenship:**

Our Year Five and Year Six students continue to participate in Newham's Faith in Schools project and support local primary school pupils in developing a better understanding of events such as Christmas and Easter. In the year 2022/23, a video presentation was prepared by our students and presented in several local primary schools to support their Christmas programme.

##### **SEN Resource Provision:**

Since November 2020, we have introduced a specialist resource provision for children with autism, with qualified and highly trained staff. Our provision provides a 1:1 individualised education for up to 16 pupils, using precise teaching methodology, which documents the number of skills learned each week, and regular analysis of the data to facilitate continual pupil progress.

##### **Links:**

ABA SEN Resource Unit for under 5's on site.

Students spent another year raising funds for local charities through Book Character Fund raising and non-uniform days.

We have well established links with local universities and further education colleges.

##### **Financial review**

The attached financial statements together with notes show the incoming and outgoing sources for the year and state of affairs at the Balance Sheet date. Net deficit for the year was £12,411 (2022 - net deficit for the year was £130,493).

The principal source of income was school fees which represented around 94% of total incoming resources. Included in the remaining income was:

- £ 51,564 Other Income (Rental, Music, etc)
- £ 7,692 School Meals Income
- £ 2,069 Donations

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2023

#### **Achievements and performance** *(continued)*

##### Application of Funds:

As an educational charity, the Association enjoys tax exemption on activities, provided that these benefits are applied towards charitable aims. The Association also receives a reduction in business rates. The financial benefits of these exemptions are applied for educational purposes.

#### **Reserves Policy**

The charity aims to maintain reserves of £370,000 to ensure sufficient funds to cover the rent and operational costs for two school terms., however given the financial pressures that the school has recently experienced, we have reduced the reserves down to £200,000 in order to allow us some flexibility to manage cashflow challenges. This target is currently not being met but plans are in place to turn this around and improve the position going forward.

#### **Trustees' responsibilities statement**

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and resources and application of resources, including the income and expenditure, 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business..

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

The trustees' annual report (incorporating the directors' report) and the strategic report were approved on .....30/08/2024..... and signed on behalf of the board of trustees by:



Mr J Agyeman  
Director

Ms J E E Jarvis  
Director

# **Grangewood Educational Association**

## **Company Limited by Guarantee**

### **Independent Examiner's Report to the Directors of Grangewood Educational Association**

**Year ended 31 August 2023**

I report to the directors on my examination of the financial statements of Grangewood Educational Association ('the charity') for the year ended 31 August 2023.

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

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2016 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

#### **Independent examiner's qualified statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

# **Grangewood Educational Association**

## **Company Limited by Guarantee**

### **Independent Examiner's Report to the Directors of Grangewood Educational Association** *(continued)*

#### **Year ended 31 August 2023**

The accounts have been prepared on a going concern basis, however, as noted on page 15 there is a material uncertainty regarding going concern.

I note that the trustees are taking mitigating actions to improve performance, but am unable to confirm whether this will be sufficient to recover the negative funds position and ensure liabilities are met as they fall due. I also note that if a basis other than going concern were to be used, this would not materially affect the value of the assets and liabilities in the financial statements. As such my opinion for the independent examiner's report remains unmodified.

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

(1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or

(2) the accounts do not accord with those accounting records; or

(3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or

(4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities.

I have no concerns and have come across no matters, other than the material uncertainty in respect of going concern, 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.

Andrew Collyer  
Independent Examiner

Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

# Grangewood Educational Association

## Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2023

		2023		2022
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
<b>Income and endowments</b>				
Donations and legacies	5	813,085	813,085	612,042
<b>Total income</b>		<u>813,085</u>	<u>813,085</u>	<u>612,042</u>
<b>Expenditure</b>				
Expenditure on raising funds:				
Costs of raising donations and legacies	6	243,265	243,265	206,182
Expenditure on charitable activities	7,8	(580,855)	(580,855)	(535,222)
Other expenditure	10	1,376	1,376	1,131
<b>Total expenditure</b>		<u>825,496</u>	<u>825,496</u>	<u>742,535</u>
<b>Net expenditure and net movement in funds</b>		<u>(12,411)</u>	<u>(12,411)</u>	<u>(130,493)</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		(102,509)	(102,509)	27,984
<b>Total funds carried forward</b>		<u>(114,920)</u>	<u>(114,920)</u>	<u>(102,509)</u>

The statement of financial activities includes all gains and losses recognised in the year.  
All income and expenditure derive from continuing activities.

The notes on pages 14 to 22 form part of these financial statements.

# Grangewood Educational Association

## Company Limited by Guarantee

### Statement of Financial Position

31 August 2023

	Note	2023 £	2022 £
<b>Current assets</b>			
Debtors	15	71,241	23,391
Cash at bank and in hand		37,484	2,518
		<u>108,725</u>	<u>25,909</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>223,645</u>	<u>128,418</u>
<b>Net current liabilities</b>		<u>114,920</u>	<u>102,509</u>
<b>Total assets less current liabilities</b>		<u>(114,920)</u>	<u>(102,509)</u>
<b>Net liabilities</b>		<u>(114,920)</u>	<u>(102,509)</u>
<b>Funds of the charity</b>			
Unrestricted funds		(114,920)	(102,509)
<b>Total charity funds</b>	19	<u>(114,920)</u>	<u>(102,509)</u>

For the year ending 31 August 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 30/08/2024, and are signed on behalf of the board by:



Mr J Agyeman  
Director

Ms J E E Jarvis  
Director

The notes on pages 14 to 22 form part of these financial statements.

# Grangewood Educational Association

## Company Limited by Guarantee

### Statement of Cash Flows

Year ended 31 August 2023

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Net expenditure	(12,411)	(130,493)
<i>Changes in:</i>		
Trade and other debtors	(47,850)	7,938
Trade and other creditors	95,227	(1,616)
Cash generated from operations	<u>34,966</u>	<u>(124,171)</u>
Net cash from/(used in) operating activities	<u>34,966</u>	<u>(124,171)</u>
<b>Cash flows from financing activities</b>		
<b>Net increase/(decrease) in cash and cash equivalents</b>	34,966	(124,171)
<b>Cash and cash equivalents at beginning of year</b>	2,518	126,689
<b>Cash and cash equivalents at end of year</b>	<u>37,484</u>	<u>2,518</u>

The notes on pages 14 to 22 form part of these financial statements.

# **Grangewood Educational Association**

## **Company Limited by Guarantee**

### **Notes to the Financial Statements**

**Year ended 31 August 2023**

#### **1. General information**

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Grangewood Independent School, Chester Road, Forest Gate, London, E7 8QT.

#### **2. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### **3. Accounting policies**

##### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2023

#### 3. Accounting policies *(continued)*

##### Going concern

The directors have considered going concern and assessed the possibility of cash running out as the historic data has shown the funds reducing year on year.

Based on their review they accept there is a material uncertainty on the charity's ability to continue however they are taking positive mitigating actions to generate the necessary reserves to prevent this from being the case.

These actions include:

##### Action 1:

The School has opened a SEND unit with capacity to accommodate up to 16 pupils with acute autistic needs requiring specialist 1-to-1 supervision and bespoke learning plans and styles. Should full capacity be achieved within the next 18 months, this will generate significant revenues. We currently have 10 pupils, with 2 more expected to start in the coming months where 1 offer has already been made.

##### Action 2:

The school has recently entered into a new energy supply contract which will reduce electricity costs by 25% for the next 2 years. The school will also be seeking to renegotiate the gas contract which is due to be renewed in November 2024 to further decrease costs.

##### Action 3:

Supplementing and leveraging the school's staffing capabilities by using volunteers to cover non-core activities has saved approximately £18k per year.

##### Action 4:

The school has got 7 years left of their lease so that the school can be heavily marketed to prospective parents who may be concerned by the ongoing tenancy discussions with the landlord.

The directors and staff continue to look at where income can be generated and costs can be reduced to ensure that the School is a going concern. The accounts have been prepared on a going concern basis as the directors believe the charity will be able to generate the funds necessary to continue to meet liabilities as they fall due.

##### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2023

#### 3. Accounting policies *(continued)*

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the directors for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

##### **Incoming resources**

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2023

#### 3. Accounting policies *(continued)*

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings                      -     20% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

##### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

#### 3. Accounting policies *(continued)*

##### Government grants *(continued)*

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

##### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Short term debtors and creditors are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

#### 4. Limited by guarantee

The company is a private company limited by guarantee and has no share capital. Each member will undertake to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up, either whilst a member or within one year of ceasing to be a member.

#### 5. Donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
<b>Donations</b>				
Fees receivable	751,760	751,760	556,858	556,858
Donations	2,069	2,069	641	641
School meals	7,692	7,692	7,788	7,788
<b>Grants</b>				
Government grant income	–	–	5,000	5,000
<b>Other donations and legacies</b>				
Other income	51,564	51,564	41,755	41,755
	<u>813,085</u>	<u>813,085</u>	<u>612,042</u>	<u>612,042</u>

#### 6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2023 £	Unrestricted Funds £	Total Funds 2022 £
Costs of raising donations and legacies				
- Donations	243,265	243,265	206,182	206,182
	<u>243,265</u>	<u>243,265</u>	<u>206,182</u>	<u>206,182</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

#### 7. Expenditure on charitable activities by fund type

	Unrestricted Funds	<b>Total Funds 2023</b>	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Support costs	580,855	580,855	535,222	535,222

#### 8. Expenditure on charitable activities by activity type

	Support costs	<b>Total funds 2023</b>	Total fund 2022
	£	£	£
Education	485,869	485,869	427,669
Governance costs	94,986	94,986	107,553
	<u>580,855</u>	<u>580,855</u>	<u>535,222</u>

#### 9. Analysis of support costs

	Analysis of support costs for education	<b>Total 2023</b>	Total 2022
	£	£	£
Staff costs	227,499	227,499	174,366
Premises	212,294	212,294	174,478
Communications and IT	17,695	17,695	16,566
General office	13,437	13,437	17,609
Governance costs	94,986	94,986	107,553
Other costs	14,944	14,944	44,650
	<u>580,855</u>	<u>580,855</u>	<u>535,222</u>

#### 10. Other expenditure

	Unrestricted Funds	<b>Total Funds 2023</b>	Unrestricted Funds	Total Funds 2022
	£	£	£	£
Bank fees	1,376	1,376	1,131	1,131

#### 11. Independent examination fees

	<b>2023</b>	2022
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,595</u>	<u>1,475</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2023

#### 12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	<b>2023</b>	2022
	<b>£</b>	<b>£</b>
Wages and salaries	461,787	370,314

The average head count of employees during the year was 27 (2022: 16). The average number of full-time equivalent employees during the year is analysed as follows:

	<b>2023</b>	2022
	<b>No.</b>	<b>No.</b>
Number of full time staff	27	16

No employee received employee benefits of more than £60,000 during the year (2022: Nil).

#### 13. Trustee remuneration and expenses

No remuneration was received by the trustees during the year (2022: nil).

#### 14. Tangible fixed assets

	<b>Fixtures and fittings</b>
	<b>£</b>
<b>Cost</b>	
At 1 September 2022 and 31 August 2023	60,618
<b>Depreciation</b>	
At 1 September 2022 and 31 August 2023	60,618
<b>Carrying amount</b>	
At 31 August 2023	—
At 31 August 2022	—

#### 15. Debtors

	<b>2023</b>	2022
	<b>£</b>	<b>£</b>
Trade debtors	26,730	16,502
Prepayments and accrued income	44,511	6,889
	71,241	23,391

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2023

#### 16. Creditors: amounts falling due within one year

	<b>2023</b>	2022
	<b>£</b>	£
Trade creditors	102,300	61,827
Accruals and deferred income	36,012	12,827
Social security and other taxes	5,550	1,821
Other creditors	79,783	51,943
	<u>223,645</u>	<u>128,418</u>

#### 17. Deferred income

	<b>2023</b>	2022
	<b>£</b>	£
At 1 September 2022	8,627	44,609
Amount released to income	(8,627)	(44,609)
Amount deferred in year	31,812	8,627
<b>At 31 August 2023</b>	<u>31,812</u>	<u>8,627</u>

#### 18. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	<b>2023</b>	2022
	<b>£</b>	£
Recognised in income from donations and legacies:		
Government grants income	—	5,000
	<u>—</u>	<u>5,000</u>

#### 19. Analysis of charitable funds

##### Unrestricted funds

	At 1 September 2022	Income £	Expenditure £	At 31 August 20 23
General funds	(102,509)	813,085	(825,496)	(114,920)
		<u>813,085</u>	<u>(825,496)</u>	<u>(114,920)</u>

	At 1 September 2021	Income £	Expenditure £	At 31 August 20 22
General funds	27,984	612,042	(742,535)	(102,509)
		<u>612,042</u>	<u>(742,535)</u>	<u>(102,509)</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2023

#### 20. Analysis of net assets between funds

	Unrestricted Funds	Total Funds 2023
	£	£
Current assets	108,725	108,725
Creditors less than 1 year	(223,645)	(223,645)
<b>Net liabilities</b>	<b>(114,920)</b>	<b>(114,920)</b>

	Unrestricted Funds	Total Funds 2022
	£	£
Current assets	25,909	25,909
Creditors less than 1 year	(128,418)	(128,418)
<b>Net liabilities</b>	<b>(102,509)</b>	<b>(102,509)</b>

#### 21. Analysis of changes in net debt

	At 1 Sep 2022	Cash flows	At 31 Aug 2023
	£	£	£
Cash at bank and in hand	<u>2,518</u>	<u>34,966</u>	<u>37,484</u>

**GRANGEWOOD EDUCATIONAL ASSOCIATION**

England & Wales - Charity number 803492

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# Accounts

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**COMPANY REGISTRATION NUMBER: 02435643**

**CHARITY REGISTRATION NUMBER: 803492**

**Grangewood Educational Association  
Company Limited by Guarantee  
Unaudited Financial Statements  
31 August 2022**

**BURGESS HODGSON LLP**

Chartered Accountants  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

# Grangewood Educational Association

Company Limited by Guarantee

Financial Statements

Year ended 31 August 2022

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Detailed statement of financial activities	25
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# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 August 2022

The directors, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 August 2022.

#### Reference and administrative details

Registered charity name	Grangewood Educational Association
Charity registration number	803492
Company registration number	02435643
Principal office and registered office	Grangewood Independent School Chester Road Forest Gate London E7 8QT

#### The directors

Mr J Agyeman  
Mr T Mpambawahle  
Ms J E E Jarvis

#### Independent examiner

Andrew Collyer  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2022

##### Structure, governance and management

The Charity is controlled by its Memorandum and Articles of Association and constitutes a limited company, limited by guarantee as defined by the Companies Act 2011.

The Council of Management, who were the trustees and directors who served throughout the year September 2021 - August 2022, were:

- Mr J. Agyeman (Chair)
- Ms J. Jarvis (Trustee / Director)
- Mr T. Mpambawahle (Trustee / Director)

The 3 year turnaround plan implemented by the new trustees had resulted in tangible improvements in the charity's finances after the first year, as the annual deficit had been reduced by nearly 50%, our pupil numbers were increasing at a steady rate and income from non-core activities had also increased significantly.

Despite the unprecedented events of the global pandemic and resulting impact on the education of children and young people across the UK, the wellbeing, mental health and academic progress of our students has been paramount. However, the support of our parents has been crucial during these challenging times, and their trust and belief in the Charity has been a great source of strength and encouragement.

The Trustees and Board of Governors for the period from the 1st September 2021 to 31 August 2022 were as follows:

- Mr J. Agyeman (Chair)
- Pastor D. Meade (Minister of local Baptist Church)
- Ms A. Green (Parent Governor & Physicist)
- Ms L. Bannis (Secondary teacher and head of department)
- Ms S. McDonald (Parent Governor & office administrator)
- Mr Blankson (Teacher)
- Mr Roberts (School Business Manager)
- Mrs Roberts (Head Teacher)

The trustees, governors, teachers and other staff remain committed to fulfilling the objectives of the charity, along with cultivating an environment where children can thrive in their educational attainment and holistic growth.

Due to the extraordinary level of commitment, devotion, hard-work and determination of all the people passionate about Grangewood Independent School, we have continued to make good progress in our recovery plan, considering the tumultuous and devastating actions of the previous trustees whose report to the Charity Commission stated categorically that "the charity's poor finances warranted the immediate closure of the school by the 31 March 2018". Our deficit has been reduced, our pupil numbers are increasing steadily along with our income.

We signed a new lease with our landlord for a duration of 10 years from the 1st September 2021. An agreement which reassures our parents of our commitment to the charity and its beneficiaries.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2022

#### Structure, governance and management *(continued)*

##### Vision & Mission Statement

Grangewood Independent School was founded in 1979, and is an independent, co-educational school that provides a unique and multi-faceted educational experience for children of all faiths, from two to eleven years old. 'The attainment of pupils of all ages and abilities including those with SEND or EAL, and those who are more able, is good. In the Early Years Foundation Stage (EYFS), the children reach the expected levels of development, and in many cases, exceed them. National and standardised assessments in English and mathematics show that the small cohorts of pupils achieved above average results. The small size of the school and the family atmosphere enable staff to know pupils well and ensure that pupils' individual needs are met. They make good progress because teachers have a good knowledge of their strengths and weaknesses; as a result, pupils are aware of their individual targets from the frequent feedback they receive. All parents who responded to the pre-inspection questionnaire said that the teaching enables their children to make good progress and develop skills for their future, and that their children's educational needs are met effectively' (Quote from last ISI Integrated Inspection of Grangewood Independent, May 2019).

The vision of Grangewood is to establish a truly caring community to act as an extended family engendering mutual standards and objectives to foster pleasure in all achievements: 'Unlocking Potential with Excellence as our Hallmark' thus inspiring success, developing excellence, forming character and nurturing diligence.

The School's educational provision contains values which mirror Christian truths and are in accordance with the Articles of Faith. We maintain that the principles of FAITH, GROWTH, INDUSTRY, CARE and DISCIPLINE should be promoted in every pupil.

##### Mission Statement

Grangewood Independent School was established to promote:

- FAITH - A faith in the Lord Jesus Christ in every pupil that will equip them emotionally, spiritually and socially to face all of life's challenges.
- GROWTH - Growth is fostered in pupils by providing increasing opportunities for accepting responsibility during their passage through the School. Pupils are given the opportunity to move into leadership roles in the academic, sporting, cultural or administrative aspects of the School.
- INDUSTRY - Industry is practiced through a challenging academic programme offered to pupils through the curriculum, the development of physical agility through sport and the promotion of creative and artistic abilities.
- CARE - Care is an essential part of Grangewood Independent. The School's pastoral programme reflects many of the traditional moral values and seeks to support the family unit and to teach Christian values.
- DISCIPLINE - Discipline is a valued ingredient at Grangewood. The standards are clearly defined through school culture and expressed in a policy that recognises the rights of every individual to feel safe, comfortable and free to achieve the highest levels of success in each part of the many facets of school life. The key to the maintenance of this environment at Grangewood is the development of self-discipline and an appreciation of others.

# Grangewood Educational Association

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2022

Structure, governance and management *(continued)*

## Organisational Structure

The Association is a registered charity with a Christian ethos and is managed by the Board of Trustees.

The Association wholly owns Grangewood Independent School. The school is managed by the Board of Governors who are appointed by the trustees of the association. The Governors are responsible for the day-to-day management of the school as prescribed in the governors' constitution and subject to the overview and approval of the trustees.

## Objectives and activities

### Our Aims:

The school is dedicated to the provision of quality primary education in a deprived area of East London.

- To promote and teach Christian values within the framework of a structured curriculum.
- To teach the values of social responsibility and respect for others thus improving the quality of good citizenship within the community.
- To provide a structured educational environment that will ensure that pupils develop their competence and skills (academic, artistic, linguistic, and musical) to the limit of their ability.
- To promote health and fitness of pupils by including physical exercise and organised sport activities both within the curriculum and in out-of-school events.

### Our Objectives:

In setting out objectives and planning activities, the Trustees and Governors have given due consideration to the Charities Commission's guidance on public benefit.

- To restrict class sizes to a maximum of 20 children per class thus enabling a high level of individual pastoral care and educational tuition.
- To enhance and improve before and after school care provision for children.
- To increase numbers of pupils on roll and by so doing increase income to a level which will allow some financial aid being offered to those families who cannot afford the going rate of fees charged.
- To increase our involvement in community regeneration activities.
- To allow use of our school premises for suitable community and/or charitable purposes.
- To continue collaboration with local councillors, local authority and partnerships to improve state education and social mobility.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2022

#### Objectives and activities *(continued)*

##### **Ethos, Strategy and Policies**

Grangewood Independent is a school with a Christian ethos. It is a requirement that all Trustees, Governors and staff protect and enhance this ethos. Children from other faith backgrounds are welcome as pupils at Grangewood, providing that their parents/guardians are aware of and accept our Christian ethos. All children will be given the same level of care and attention regardless of their faith, race, gender, or sexual orientation. The Board of Trustees have overall responsibility for ensuring that no school activities are in conflict with our published ethos.

Matters relating to operational procedures, methods and all other operational activities will be dealt with by the Board of Governors. Significant items agreed by Governors may be presented to the Trustees for approval at the discretion of the chairman of the governors.

Trustees and Governors will regularly review, plan and sanction where applicable the following:

- Curriculum content, teaching practices and performance and examination results
- Pre and post school day care provision
- Community projects in which we wish to participate
- Investments in the resources and infrastructure of the school
- Staff remuneration
- School fees adjustments and discounts
- Development of method for awarding bursaries when this becomes affordable
- School development and promotion plans.

Grangewood Educational Association is a charitable trust which seeks to benefit the community through the pursuit of its stated aims. Our fees are set at the minimum level needed to attract sufficient student numbers in an attempt to ensure the financial viability of Grangewood School and at a level that is consistent with our aim to provide a first-class education to both boys and girls of primary school age.

To admit a prospective pupil, we need to be satisfied that we will be able to educate and develop that pupil to the best of their potential and in line with the general standards achieved by their peers. To this end, entrance interview and classroom assessments are undertaken to satisfy ourselves and parents that the child can cope with the pace of learning and benefit from the education that we provide. Gender, ethnicity, race, religion, disability, or economic status of parents/guardians do not form part of our assessment procedures.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination.

Grangewood Independent School is committed to safeguarding and promoting the welfare of its pupils. All staff and volunteers are expected to share this commitment and are helped through training and sound governance to actively play their part in protecting children from harm and promoting their welfare.

We are committed to providing a safe and secure environment for learning and have a zero-tolerance policy on all forms of bullying and anti-social behaviour. All staff and volunteers are committed to these principles.

We are accredited by the Independent School Association (ISA) and are inspected by the Independent Schools Inspectorate (ISI).

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2022

#### Objectives and activities *(continued)*

##### Access Policy

We are exploring new and innovative ways of offering access to the school to all of the local community regardless of ability to pay. We have investigated supplementing the hours included in the Government funded Early Years Childcare scheme in every attempt to increase accessibility, as well as planning to spearhead projects which will benefit the community and generate sufficient surplus income to increase the number of bursaries available at the school.

In order to make it possible for as many lower income families as possible to benefit from the services of the school, we have elected to keep our base fee structure at a level which just recovers our total operating cost. Fee increases are measured to minimise any adverse impact on our current population and make the school less affordable to a number of families who currently support the school. Some of our parents already make personal sacrifices in order to meet the charges.

##### Risk Management

The Trustees understand the duty they have to identify and review the risks to which the Association is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

##### Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

##### Achievements and performance

###### COVID-19:

Despite the unprecedented events of the global pandemic and resulting impact on the education of children and young people across the UK, the wellbeing, mental health and academic progress of our students has been paramount. Grangewood's pedagogy of small class sizes and individual learning meant that we were already in a very strong position to help our students transition back to the expected (or in some cases, accelerated) learning trajectory for their year group, following the initial lockdown.

###### End of Key Stage Outcomes 2021/2022:

During 2021/22 our Reception data (Early Years Foundation Stage Profile data) was moderated by the Local Authority (Newham).

EYFS - Emerging 15%	Expected 85%	(Exceeding 50%)
KS1 - Emerging 0%	Expected 100%	(Exceeding 66%)
KS2 - Working towards 25%	Expected 75%	(Exceeding 0%)

The education on offer at Grangewood means that we are able to stretch the more able and guide our students to higher-than-expected progress, as well as successfully turning around children who transfer from other schools with behavioural or SEN needs.

###### Secondary School Transitions:

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2022

*(continued)*

At the end of the academic year 2021/22 - 100% of Year Six students gained entry to their first choice, highly sought-after secondary school.

#### **PE & Sport:**

All students, from Nursery to Year Six, continued to enjoy the wide array of in-house sports, games, dance and P.E. opportunities available at Grangewood.

#### **Nursery Provision:**

We continue to offer part-time two-year-old provision, flexible "30 hours of free childcare" for working parents of three- and four-year olds and increased wrap around care through our Extended Hours Clubs, which have increased our accessibility for local families.

#### **School Travel Plan:**

The promotion of cycling, scooting and walking as healthy, environmentally friendly, and fun ways to get to school remain a central part of our School Travel Plan.

#### **PSHE & Citizenship:**

Our Year Five and Year Six students continue to participate in Newham's Faith in Schools project and support local primary school pupils in developing a better understanding of events such as Christmas and Easter. In the year 2021/22, a video presentation was prepared by our students and presented in several local primary schools to support their Christmas programme.

#### **SEN Resource Provision:**

Since November 2020, we have introduced a specialist resource provision for children with autism, with qualified and highly trained staff. Our provision provides a 1:1 individualised education for up to 16 pupils, using precise teaching methodology, which documents the number of skills learned each week, and regularly analyses the data to facilitate continual pupil progress.

#### **Links:**

ABA SEN Resource Unit for under 5's on site.

Students spent another year raising funds for local charities through Book Character Fund raising and non-uniform days.

We have well established links with local universities.

#### **Financial review**

The attached financial statements, together with notes, show the incoming and outgoing sources for the year and state of affairs at the Balance Sheet date. Net deficit for the year was £130,493 (2021 - net deficit for the year was £182,757).

The principal source of income was school fees which represented around 91% of total incoming resources. Included in the remaining income was:

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2022

*(continued)*

- £ 31,729 Rental Income
- £ 7,788 School Meals Income
- £ 1,450 Music Income
- £ 35,192 SEN Income
- £ 21,944 Furlough Payments
- £ 5,000 London Borough of Newham Grant (Covid-19 related)

#### Application of Funds:

As an educational charity, the Association enjoys tax exemption on activities, provided that these benefits are applied towards charitable aims. The Association also receives a reduction in business rates. The financial benefits of these exemptions are applied for educational purposes.

#### Reserves Policy

The charity aims to maintain reserves of £370,000 to ensure sufficient funds to cover the rent and operational costs for two school terms. However, given the financial pressures that the school has recently experienced due to the Covid-19 Pandemic, we have reduced the reserves down to £200,000 in order to allow us some flexibility to manage cashflow challenges. This target is currently not being met but plans are in place to turn this around and improve the position going forward.

#### Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, 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 in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

**Grangewood Educational Association**

**Company Limited by Guarantee**

**Trustees' Annual Report (Incorporating the Directors' Report) *(continued)***

**Year ended 31 August 2022**

The trustees' annual report (incorporating the directors' report) and the strategic report were approved on 29/10/23... and signed on behalf of the board of trustees by:

Mr J Agyeman  
Director



Ms J E E Jarvis  
Director



# **Grangewood Educational Association**

**Company Limited by Guarantee**

## **Independent Examiner's Report to the Directors of Grangewood Educational Association**

**Year ended 31 August 2022**

I report to the directors on my examination of the financial statements of Grangewood Educational Association ('the charity') for the year ended 31 August 2022.

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

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2016 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

### **Independent examiner's qualified statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

# Grangewood Educational Association

## Company Limited by Guarantee

### Independent Examiner's Report to the Directors of Grangewood Educational Association *(continued)*

Year ended 31 August 2022

The accounts have been prepared on a going concern basis, however, as noted on page 16 there is a material uncertainty regarding going concern.

I note that the trustees are taking mitigating actions to improve performance, but am unable to confirm whether this will be sufficient to recover the negative funds position and ensure liabilities are met as they fall due. I also note that if a basis other than going concern were to be used, this would not materially affect the value of the assets and liabilities in the financial statements. As such my opinion for the independent examiner's report remains unmodified.

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

(1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or

(2) the accounts do not accord with those accounting records; or

(3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or

(4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities.

I have no concerns and have come across no matters, other than the material uncertainty in respect of going concern, 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.



Andrew Collyer  
Independent Examiner

Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

31/10/23

# Grangewood Educational Association

Company Limited by Guarantee

## Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2022

		2022		2021
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	5	612,042	612,042	326,427
<b>Total income</b>		<u>612,042</u>	<u>612,042</u>	<u>326,427</u>
<b>Expenditure</b>				
Expenditure on raising funds:				
Costs of raising donations and legacies	6	206,182	206,182	200,110
Expenditure on charitable activities	7,8	535,222	535,222	307,800
Other expenditure	10	1,131	1,131	1,274
<b>Total expenditure</b>		<u>742,535</u>	<u>742,535</u>	<u>509,184</u>
<b>Net expenditure and net movement in funds</b>		<u>(130,493)</u>	<u>(130,493)</u>	<u>(182,757)</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		27,984	27,984	210,741
<b>Total funds carried forward</b>		<u>(102,509)</u>	<u>(102,509)</u>	<u>27,984</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# Grangewood Educational Association

## Company Limited by Guarantee

### Statement of Financial Position

31 August 2022

	Note	2022 £	2021 £
<b>Current assets</b>			
Debtors	15	23,391	31,329
Cash at bank and in hand		<u>2,518</u>	<u>126,689</u>
		25,909	158,018
<b>Creditors: amounts falling due within one year</b>	16	<u>128,418</u>	<u>130,034</u>
<b>Net current liabilities</b>		<u>(102,509)</u>	<u>27,984</u>
<b>Total assets less current liabilities</b>		<u>(102,509)</u>	<u>27,984</u>
<b>Net liabilities</b>		<u>(102,509)</u>	<u>27,984</u>
<b>Funds of the charity</b>			
Unrestricted funds		<u>(102,509)</u>	<u>27,984</u>
<b>Total charity funds</b>	19	<u>(102,509)</u>	<u>27,984</u>

For the year ending 31 August 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on ~~29.10.23~~ and are signed on behalf of the board by:

Mr J Agyeman  
Director



Ms J E E Jarvis  
Director



The notes on pages 15 to 23 form part of these financial statements.

# Grangewood Educational Association

Company Limited by Guarantee

## Statement of Cash Flows

Year ended 31 August 2022

	2022	2021
	£	£
<b>Cash flows from operating activities</b>		
Net expenditure	(130,493)	(182,757)
<i>Adjustments for:</i>		
<i>Changes in:</i>		
Trade and other debtors	7,938	(2,619)
Trade and other creditors	(1,616)	75,691
Cash generated from operations	<u>(124,171)</u>	<u>(109,685)</u>
Net cash used in operating activities	<u>(124,171)</u>	<u>(109,685)</u>
<b>Cash flows from financing activities</b>		
Net decrease in cash and cash equivalents	(124,171)	(109,685)
Cash and cash equivalents at beginning of year	<u>126,689</u>	<u>236,374</u>
Cash and cash equivalents at end of year	<u>2,518</u>	<u>126,689</u>

The notes on pages 15 to 23 form part of these financial statements.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements

Year ended 31 August 2022

#### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Grangewood Independent School, Chester Road, Forest Gate, London, E7 8QT.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2022

#### 3. Accounting policies *(continued)*

##### Going concern

The directors have considered going concern and assessed the possibility of cash running out as the historic data has shown the funds reducing year on year.

Based on their review they accept there is a material uncertainty on the charity's ability to continue however they are taking positive mitigating actions to generate the necessary reserves to prevent this from being the case.

These actions include:

##### Action 1:

The School has opened a SEND unit with capacity to accommodate up to 16 pupils with acute autistic needs requiring specialist 1-to-1 supervision and bespoke learning plans and styles. Should full capacity be achieved within the next 18 months, this will generate significant revenues. We currently have 11 pupils, with 2 more expected to start in the coming months.

##### Action 2:

The school has reduced the overheads of running the school to offset the increase in energy prices.

##### Action 3:

Supplementing and leveraging the school's staffing capabilities by using volunteers to cover non-core activities has saved approximately £18k per year.

##### Action 4:

The School has secured a 10 year lease so that the the school can be heavily marketed to prospective parents who may be concerned by the ongoing tenancy discussions with the landlord.

The directors and staff continue to look at where income can be generated and costs can be reduced to ensure that the School is a going concern. The accounts have been prepared on a going concern basis as the directors believe the charity will be able to generate the funds necessary to continue to meet liabilities as they fall due.

##### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

#### 3. Accounting policies *(continued)*

##### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the directors for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2022

#### 3. Accounting policies *(continued)*

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 20% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

##### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

#### 3. Accounting policies *(continued)*

##### Government grants *(continued)*

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

##### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Short term debtors and creditors are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

#### 4. Limited by guarantee

The company is a private company limited by guarantee and has no share capital. Each member will undertake to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up, either whilst a member or within one year of ceasing to be a member.

#### 5. Donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
<b>Donations</b>				
Fees receivable	556,858	556,858	285,449	285,449
Donations	641	641	1,122	1,122
School meals	7,788	7,788	1,619	1,619
<b>Grants</b>				
Government grant income	5,000	5,000	11,806	11,806
<b>Other donations and legacies</b>				
Other income	41,755	41,755	26,431	26,431
	<u>612,042</u>	<u>612,042</u>	<u>326,427</u>	<u>326,427</u>

#### 6. Costs of raising donations and legacies

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Costs of raising donations and legacies				
- Donations	<u>206,182</u>	<u>206,182</u>	<u>200,110</u>	<u>200,110</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

#### 7. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Support costs	<u>535,222</u>	<u>535,222</u>	<u>307,800</u>	<u>307,800</u>

#### 8. Expenditure on charitable activities by activity type

	Support costs	Total funds 2022	Total fund 2021
	£	£	£
Activity type 1	427,669	427,669	247,048
Governance costs	<u>107,553</u>	<u>107,553</u>	<u>60,752</u>
	<u>535,222</u>	<u>535,222</u>	<u>307,800</u>

#### 9. Analysis of support costs

	Analysis of support costs activity 1	Total 2022	Total 2021
	£	£	£
Staff costs	174,366	174,366	84,835
Premises	174,478	174,478	127,940
Communications and IT	16,566	16,566	16,236
General office	17,609	17,609	7,328
Governance costs	107,553	107,553	60,752
Other costs	<u>44,650</u>	<u>44,650</u>	<u>10,709</u>
	<u>535,222</u>	<u>535,222</u>	<u>307,800</u>

#### 10. Other expenditure

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Bank fees	<u>1,131</u>	<u>1,131</u>	<u>1,274</u>	<u>1,274</u>

#### 11. Independent examination fees

	2022	2021
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,475</u>	<u>1,475</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2022

#### 12. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	<u>370,314</u>	<u>278,757</u>

The average head count of employees during the year was 16 (2021: 16). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
Number of full time staff	<u>16</u>	<u>16</u>

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

#### 13. Trustee remuneration and expenses

No remuneration was received by the trustees during the year (2021: nil).

#### 14. Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
At 1 September 2021 and 31 August 2022	<u>60,618</u>
<b>Depreciation</b>	
At 1 September 2021 and 31 August 2022	<u>60,618</u>
<b>Carrying amount</b>	
At 31 August 2022	<u>—</u>
At 31 August 2021	<u>—</u>

#### 15. Debtors

	2022	2021
	£	£
Trade debtors	16,502	24,440
Prepayments and accrued income	6,889	6,889
	<u>23,391</u>	<u>31,329</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2022

#### 16. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	61,827	69,260
Accruals and deferred income	12,827	48,809
Social security and other taxes	1,821	4,698
Other creditors	<u>51,943</u>	<u>7,267</u>
	<u>128,418</u>	<u>130,034</u>

#### 17. Deferred income

	2022	2021
	£	£
At 1 September 2021	44,609	21,113
Amount released to income	(44,609)	(21,113)
Amount deferred in year	<u>8,627</u>	<u>44,609</u>
<b>At 31 August 2022</b>	<u>8,627</u>	<u>44,609</u>

#### 18. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2022	2021
	£	£
Recognised in income from donations and legacies:		
Government grants income	<u>5,000</u>	<u>11,806</u>

#### 19. Analysis of charitable funds

##### Unrestricted funds

	At 1 September 2021	Income £	Expenditure £	At 31 August 20 22
General funds	<u>27,984</u>	<u>612,042</u>	<u>(742,535)</u>	<u>(102,509)</u>

	At 1 September 2020	Income £	Expenditure £	At 31 August 20 21
General funds	<u>210,741</u>	<u>326,427</u>	<u>(509,184)</u>	<u>27,984</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2022

#### 20. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2022 £
Current assets	25,909	25,909
Creditors less than 1 year	(128,418)	(128,418)
<b>Net liabilities</b>	<b>(102,509)</b>	<b>(102,509)</b>

	Unrestricted Funds £	Total Funds 2021 £
Current assets	158,018	158,018
Creditors less than 1 year	(130,034)	(130,034)
<b>Net liabilities</b>	<b>27,984</b>	<b>27,984</b>

#### 21. Analysis of changes in net debt

	At 1 Sep 2021 £	Cash flows £	At 31 Aug 2022 £
Cash at bank and in hand	<u>126,689</u>	<u>(124,171)</u>	<u>2,518</u>

**Grangewood Educational Association**

**Company Limited by Guarantee**

**Management Information**

**Year ended 31 August 2022**

**The following pages do not form part of the financial statements.**

# Grangewood Educational Association

## Company Limited by Guarantee

### Detailed Statement of Financial Activities

Year ended 31 August 2022

	2022 £	2021 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Fees receivable	556,858	285,449
Donations	641	1,122
School meals	7,788	1,619
Government grant income	5,000	11,806
Other income	41,755	26,431
	<u>612,042</u>	<u>326,427</u>
<b>Total income</b>	<u>612,042</u>	<u>326,427</u>
<b>Expenditure</b>		
<b>Costs of raising donations and legacies</b>		
Wages and salaries	195,948	193,922
Education resources	1,662	1,902
Extra curricular activities	7,636	4,286
Staff training	936	-
	<u>206,182</u>	<u>200,110</u>
<b>Expenditure on charitable activities</b>		
Wages and salaries	174,366	84,835
Rent	130,366	62,917
Rates and water	13,869	13,891
Light and heat	24,594	15,735
Repairs and maintenance	177	394
Insurance	5,472	35,003
Other establishment	2,106	1,273
Other motor/travel costs	2,559	1,152
Legal and professional fees	107,553	60,752
Telephone	3,869	3,885
Other office costs	17,609	7,328
Catering	5,905	1,291
Website maintenance	12,697	12,351
School events	698	12
Sundry	33,382	6,981
	<u>535,222</u>	<u>307,800</u>
<b>Other expenditure</b>		
Bank fees	1,131	1,274
	<u>1,131</u>	<u>1,274</u>
<b>Total expenditure</b>	<u>742,535</u>	<u>509,184</u>

**Grangewood Educational Association**

**Company Limited by Guarantee**

**Detailed Statement of Financial Activities** *(continued)*

**Year ended 31 August 2022**

	<b>2022</b>	<b>2021</b>
	<u>£</u>	<u>£</u>
Net expenditure	<u>(130,493)</u>	<u>(182,757)</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Detailed Statement of Financial Activities

Year ended 31 August 2022

	2022 £	2021 £
<b>Costs of raising donations and legacies</b>		
<b>Costs of raising donations and legacies - Donations</b>		
Teaching expenses - wages and salaries	195,948	193,922
Teaching expenses - education resources	1,662	1,902
Teaching expenses - extra curricular activities	7,636	4,286
Teaching expenses - staff training	936	-
	<u>206,182</u>	<u>200,110</u>
<b>Costs of raising donations and legacies</b>	<u>206,182</u>	<u>200,110</u>
<b>Expenditure on charitable activities</b>		
<b>Activity type 1</b>		
<b>Support costs</b>		
Support costs - wages and salaries	174,366	84,835
Support costs - rent	130,366	62,917
Support costs - rates & water	13,869	13,891
Support costs - light & heat	24,594	15,735
Support costs - repairs & maintenance	177	394
Support costs - insurance	5,472	35,003
Support costs - other establishment	2,106	1,273
Support costs - motor/travel costs	2,559	1,152
Support costs - telephone	3,869	3,885
Support costs - other office costs	17,609	7,328
Support costs - catering	5,905	1,291
Support costs - website maintenance	12,697	12,351
Support costs - school events	698	12
Support costs - bad debts	33,382	6,981
	<u>427,669</u>	<u>247,048</u>
<b>Governance costs</b>		
Governance costs - accountancy fees	2,217	2,217
Governance costs - legal and other professional fees	103,861	57,060
Governance costs - independent examination fees	1,475	1,475
	<u>107,553</u>	<u>60,752</u>
<b>Expenditure on charitable activities</b>	<u>535,222</u>	<u>307,800</u>



**GRANGEWOOD EDUCATIONAL ASSOCIATION**

England & Wales - Charity number 803492

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# Accounts

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COMPANY REGISTRATION NUMBER: 02435643  
CHARITY REGISTRATION NUMBER: 803492

**Grangewood Educational Association**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**31 August 2021**

**BURGESS HODGSON LLP**

Chartered Accountants  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

# Grangewood Educational Association

## Company Limited by Guarantee

### Financial Statements

Year ended 31 August 2021

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Trustees' annual report (incorporating the directors' report)	<b>1</b>
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Statement of financial activities (including income and expenditure account)	<b>12</b>
Statement of financial position	<b>13</b>
Notes to the financial statements	<b>14</b>
<b>The following pages do not form part of the financial statements</b>	
Detailed statement of financial activities	<b>22</b>
Notes to the detailed statement of financial activities	<b>24</b>

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report)

Year ended 31 August 2021

The directors, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 August 2021.

#### Reference and administrative details

**Registered charity name** Grangewood Educational Association

**Charity registration number** 803492

**Company registration number** 02435643

**Principal office and registered office** Grangewood Independent School  
Chester Road  
Forest Gate  
London  
E7 8QT

#### The directors

Mr J Agyeman  
Mr T Mpambawahle  
Ms J E E Jarvis

**Independent examiner** Andrew Collyer  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2021

##### Structure, governance and management

The Charity is controlled by its Memorandum and Articles of Association and constitutes a limited company, limited by guarantee as defined by the Companies Act 2011.

The Council of Management, who were the trustees and directors who served throughout the year September 2020 - August 2021, were:

- Mr J. Agyeman (Chair)
- Ms J. Jarvis (Trustee / Director)
- Mr T. Mpambawahle (Trustee / Director)

The 3 year turnaround plan implemented by the new trustees had resulted in tangible improvements in the charity's finances after the first year, as the annual deficit had been reduced by nearly 50%, our pupil numbers were increasing at a steady rate and income from non-core activities had also increased by over 30% until the mandated lockdown which halted progress.

Despite the unprecedented events of the global pandemic and resulting impact on the education of children and young people across the UK, the wellbeing, mental health and academic progress of our students has been paramount. However, the impact on household finances meant that a significant portion of our parents struggled during the Summer term and the trustees agreed to offer discounted fees to support the families during the difficult times.

Transitioning to online learning was also challenging for both our staff and parents alike, especially as some families did not have the required IT facilities to support remote learning, however a hybrid approach was implemented which enabled continuous learning through daily engagement remotely.

The support of our parents has been crucial during these challenging times, and their trust and belief in the Charity has been a great source of strength and encouragement.

The Trustees and Board of Governors for the period from the 1st September 2020 to 31 August 2021 were as follows:

- Mr J. Agyeman (Chair)
- Pastor D. Meade (Minister of local Baptist Church)
- Ms A. Green (Parent Governor & Physicist)
- Ms L. Bannis (Secondary teacher and head of department)
- Ms S. McDonald (Parent Governor & office administrator)
- Mr Blankson (Teacher)
- Mr Roberts (Business Manager)
- Mrs Roberts (Head Teacher)

The trustees, governors, teachers and other staff remain committed to fulfilling the objectives of the charity, along with cultivating an environment where children can thrive in their educational attainment and holistic growth.

Due to the extraordinary level of commitment, devotion, hard-work and determination of all the people passionate about Grangewood Independent School, we have continued to make good progress in our recovery plan, considering the tumultuous and devastating actions of the previous trustees whose report to the Charity Commission stated categorically that "the charity's poor finances warranted the immediate closure of the school by the 31 March 2018". Our deficit has been reduced by nearly 50% and our pupil numbers were increasing steadily until all schools were forced to close as a result of the national lockdown announcement at the end of March 2020.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2021

We signed a new lease with our landlord for a duration of 10 years from the 1st September 2021. An agreement which reassures our parents of our commitment to the charity and its beneficiaries.

#### **Vision & Mission Statement**

Grangewood Independent School was founded in 1979, and is an independent, co-educational school that provides a unique and multi-faceted educational experience for children of all faiths, from two to eleven years old. 'The attainment of pupils of all ages and abilities including those with SEND or EAL, and those who are more able, is good. In the Early Years Foundation Stage (EYFS), the children reach the expected levels of development, and in many cases, exceed them. National and standardised assessments in English and mathematics show that the small cohorts of pupils achieved above average results. The small size of the school and the family atmosphere enable staff to know pupils well and ensure that pupils' individual needs are met. They make good progress because teachers have a good knowledge of their strengths and weaknesses; as a result, pupils are aware of their individual targets from the frequent feedback they receive. All parents who responded to the pre-inspection questionnaire said that the teaching enables their children to make good progress and develop skills for their future, and that their children's educational needs are met effectively' (Quote from last ISI Integrated Inspection of Grangewood Independent, May 2019).

The vision of Grangewood is to establish a truly caring community to act as an extended family engendering mutual standards and objectives to foster pleasure in all achievements: 'Unlocking Potential with Excellence as our Hallmark' thus inspiring success, developing excellence, forming character and nurturing diligence.

The School's educational provision contains values which mirror Christian truths and are in accordance with the Articles of Faith. We maintain that the principles of FAITH, GROWTH, INDUSTRY, CARE and DISCIPLINE should be promoted in every pupil.

#### **Mission Statement**

Grangewood Independent School was established to promote:

- FAITH - A faith in the Lord Jesus Christ in every pupil that will equip them emotionally, spiritually and socially to face all of life's challenges.
- GROWTH - Growth is fostered in pupils by providing increasing opportunities for accepting responsibility during their passage through the School. Pupils are given the opportunity to move into leadership roles in the academic, sporting, cultural or administrative aspects of the School.
- INDUSTRY - Industry is practiced through a challenging academic programme offered to pupils through the curriculum, the development of physical agility through sport and the promotion of creative and artistic abilities.
- CARE - Care is an essential part of Grangewood Independent. The School's pastoral programme reflects many of the traditional moral values and seeks to support the family unit and to teach Christian values.
- DISCIPLINE - Discipline is a valued ingredient at Grangewood. The standards are clearly defined through school culture and expressed in a policy that recognises the rights of every individual to feel safe, comfortable and free to achieve the highest levels of success in each part of the many facets of school life. The key to the maintenance of this environment at Grangewood is the development of self-discipline and an appreciation of others.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2021

#### Structure, governance and management *(continued)*

##### Organisational Structure

The Association is a registered charity with a Christian ethos and is managed by the Board of Trustees.

The Association wholly owns Grangewood Independent School. The school is managed by the Board of Governors who are appointed by the trustees of the association. The Governors are responsible for the day-to-day management of the school as prescribed in the governors' constitution and subject to the overview and approval of the trustees.

##### Objectives and activities

###### Our Aims:

The school is dedicated to the provision of quality primary education in a deprived area of East London.

\* To promote and teach Christian values within the framework of a structured curriculum.\* To teach the values of social responsibility and respect for others thus improving the quality of good citizenship within the community. \* To provide a structured educational environment that will ensure that pupils develop their competence and skills (academic, artistic, linguistic, and musical) to the limit of their ability. \* To promote health and fitness of pupils by including physical exercise and organised sport activities both within the curriculum and in out-of-school events.

###### Our Objectives:

In setting out objectives and planning activities, the Trustees and Governors have given due consideration to the Charities Commission's guidance on public benefit.

\* To restrict class sizes to a maximum of 20 children per class thus enabling a high level of individual pastoral care and educational tuition. \* To enhance and improve before and after school care provision for children. \* To increase numbers of pupils on roll and by so doing increase income to a level which will allow some financial aid being offered to those families who cannot afford the going rate of fees charged. \* To increase our involvement in community regeneration activities. \* To allow use of our school premises for suitable community and/or charitable purposes. \* To continue collaboration with local councillors, local authority and partnerships to improve state education and social mobility.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2021

#### Objectives and activities *(continued)*

##### **Ethos, Strategy and Policies**

Grangewood Independent is a school with a Christian ethos. It is a requirement that all Trustees, Governors and staff protect and enhance this ethos. Children from other faith backgrounds are welcome as pupils at Grangewood, providing that their parents/guardians are aware of and accept our Christian ethos. All children will be given the same level of care and attention regardless of their faith, race, gender, or sexual orientation. The Board of Trustees have overall responsibility for ensuring that no school activities are in conflict with our published ethos.

Matters relating to operational procedures, methods and all other operational activities will be dealt with by the Board of Governors. Significant items agreed by Governors may be presented to the Trustees for approval at the discretion of the chairman of the governors.

Trustees and Governors will regularly review, plan and sanction where applicable the following:

- \* Curriculum content, teaching practices and performance and examination results\* Pre and post school day care provision
- \* Community projects in which we wish to participate
- \* Investments in the resources and infrastructure of the school
- \* Staff remuneration
- \* School fees adjustments and discounts
- \* Development of method for awarding bursaries when this becomes affordable\* School development and promotion plans.

Grangewood Educational Association is a charitable trust which seeks to benefit the community through the pursuit of its stated aims. Our fees are set at the minimum level needed to attract sufficient student numbers in an attempt to ensure the financial viability of Grangewood School and at a level that is consistent with our aim to provide a first-class education to both boys and girls of primary school age.

To admit a prospective pupil, we need to be satisfied that we will be able to educate and develop that pupil to the best of their potential and in line with the general standards achieved by their peers. To this end, entrance interview and classroom assessments are undertaken to satisfy ourselves and parents that the child can cope with the pace of learning and benefit from the education that we provide. Gender, ethnicity, race, religion, disability, or economic status of parents/guardians do not form part of our assessment procedures.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination.

Grangewood Independent School is committed to safeguarding and promoting the welfare of its pupils. All staff and volunteers are expected to share this commitment and are helped through training and sound governance to actively play their part in protecting children from harm and promoting their welfare.

We are committed to providing a safe and secure environment for learning and have a zero-tolerance policy on all forms of bullying and anti-social behaviour. All staff and volunteers are committed to these principles.

We are accredited by the Independent School Association (ISA) and are inspected by the Independent Schools Inspectorate (ISI).

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2021

#### Objectives and activities *(continued)*

##### Access Policy

We are exploring new and innovative ways of offering access to the school to all of the local community regardless of ability to pay. We have investigated supplementing the hours included in the Government funded Early Years Childcare scheme in every attempt to increase accessibility, as well as planning to spearhead projects which will benefit the community and generate sufficient surplus income to increase the number of bursaries available at the school.

In order to make it possible for as many lower income families as possible to benefit from the services of the school, we have elected to keep our base fee structure at a level which just recovers our total operating cost. Fee increases are measured to minimise any adverse impact on our current population and make the school less affordable to a number of families who currently support the school. Some of our parents already make personal sacrifices in order to meet the charges.

##### Risk Management

The Trustees understand the duty they have to identify and review the risks to which the Association is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

##### Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

##### Achievements and performance

###### COVID-19:

Despite the unprecedented events of the global pandemic and resulting impact on the education of children and young people across the UK, the wellbeing, mental health and academic progress of our students has been paramount. Grangewood's pedagogy of small class sizes and individual learning meant that we were already in a very strong position to help our students transition back to the expected (or in some cases, accelerated) learning trajectory for their year group, following the initial lockdown from March 23rd 2020 and 2019/20 summer term. Our curriculum was also reviewed to factor in any necessary adaptations, modifications and planning for extra support or intervention.

###### End of Key Stage Outcomes 2020/2021:

During 2020/21 our Reception data (Early Years Foundation Stage Profile data) was moderated by the Local Authority (Newham).

EYFS - Expected 100%	Exceeding 50%
KS1 - Expected 100%	Exceeding 20%
KS2 - Expected 100%	Exceeding 100%

The education on offer at Grangewood means that we are able to stretch the more able and guide our students to higher-than-expected progress, as well as successfully turning around children who transfer from other schools with behavioural or SEN needs.

###### Secondary School Transitions:

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2021

*(continued)*

Students were entered for 11+ examinations or Common Entrance examinations. There was a 100% success for students sitting the 11+ and Common Entrance examinations. At the end of the academic year 2020/21 - 100% of Year Six students gained entry to their first choice, highly sought-after secondary school.

#### **PE & Sport:**

KS1 and KS2 pupils were unable to participate in sporting competitions against other Newham schools due to COVID-19 restrictions, however pupils were able to enjoy the usual array of in-house sports and P.E. opportunities.

#### **COVID-19:**

Despite the unprecedented events of the global pandemic and resulting impact on the education of children and young people across the UK, the wellbeing, mental health and academic progress of our students has been paramount. Grangewood's pedagogy of small class sizes and individual learning meant that we were already in a very strong position to help our students transition back to the expected (or in some cases, accelerated) learning trajectory for their year group, following the initial lockdown from March 23rd 2020 and 2019/20 summer term. Our curriculum was also reviewed to factor in any necessary adaptations, modifications and planning for extra support or intervention.

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EYFS - Expected 100%	Exceeding 50%
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KS2 - Expected 100%	Exceeding 100%

The education on offer at Grangewood means that we are able to stretch the more able and guide our students to higher-than-expected progress, as well as successfully turning around children who transfer from other schools with behavioural or SEN needs.

#### **Secondary School Transitions:**

Students were entered for 11+ examinations or Common Entrance examinations. There was a 100% success for students sitting the 11+ and Common Entrance examinations. At the end of the academic year 2020/21 - 100% of Year Six students gained entry to their first choice, highly sought-after secondary school.

#### **PE & Sport:**

KS1 and KS2 pupils were unable to participate in sporting competitions against other Newham schools due to COVID-19 restrictions, however pupils were able to enjoy the usual array of in-house sports and P.E. opportunities.

#### **Nursery Provision**

We continue to offer part-time two-year-old provision, flexible "30 hours of free childcare" for working parents of three- and four-year olds and increased wrap around care through our Extended Hours Clubs, which have increased our accessibility for local families.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2021

*(continued)*

#### **School Travel Plan:**

The promotion of cycling, scooting and walking as healthy, environmentally friendly, and fun ways to get to school remain a central part of our School Travel Plan.

#### **PSHE & Citizenship:**

Our Year Five and Year Six students continue to participate in Newham's Faith in Schools project and support local primary school pupils in developing a better understanding of events such as Christmas and Easter. In the year 2020/21, a video presentation was prepared by our students and presented in several local primary schools to support their Christmas programme.

#### **SEN Resource Provision:**

Since November 2020, we have introduced a specialist resource provision for children with autism, with qualified and highly trained staff. Our provision provides a 1:1 individualised education for up to 16 pupils, using precise teaching methodology, which documents the number of skills learned each week, and analyses the data to facilitate continual pupil progress.

#### **Links:**

ABA SEN Resource Unit for under 5's on site.

Students spent another year raising funds for local charities through Book Character Fund raising and non-uniform days.

We have well established links with local universities.

#### **Financial review**

The attached financial statements together with notes show the incoming and outgoing sources for the year and state of affairs at the Balance Sheet date. Net deficit for the year was £182,757 (2020 - net deficit for the year was £185,513).

The principal source of income was school fees which represented around 87% of total incoming resources. Included in the remaining income was:

- \* £ 21,049 Rental Income
- \* £ 1,619 School Meals Income
- \* £ 6,806 Furlough grant
- \* £ 5,000 Childcare provider grant

#### **Application of Funds:**

As an educational charity, the Association enjoys tax exemption on activities, provided that these benefits are applied towards charitable aims. The Association also receives a reduction in business rates. The financial benefits of these exemptions are applied for educational purposes.

#### **Reserves Policy**

The charity aims to maintain reserves of £370,000 to ensure sufficient funds to cover the rent and operational costs for two school terms., however given the financial pressures that the school has recently experienced due to the Covid-19 Pandemic, we have reduced the reserves down to £200,000 in order to allow us some flexibility to manage cashflow challenges. This target is currently not being met but plans are in place to turn this around and improve the position going forward.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2021

#### Financial review *(continued)*

#### Trustees' responsibilities statement

The trustees, who are also directors 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).

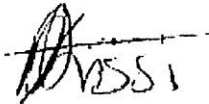
Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

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

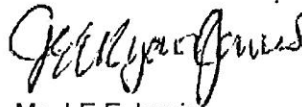
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

The trustees' annual report (incorporating the directors' report) and the strategic report were approved on 23/02/2023 and signed on behalf of the board of trustees by:



Mr J Agyeman  
Director



Ms J E E Jarvis  
Director

# **Grangewood Educational Association**

## **Company Limited by Guarantee**

### **Independent Examiner's Report to the Directors of Grangewood Educational Association**

#### **Year ended 31 August 2021**

I report to the directors on my examination of the financial statements of Grangewood Educational Association ('the charity') for the year ended 31 August 2021.

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

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

#### **Independent examiner's qualified statement**

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

# Grangewood Educational Association

## Company Limited by Guarantee

### Independent Examiner's Report to the Directors of Grangewood Educational Association *(continued)*

#### Year ended 31 August 2021

The accounts have been prepared on a going concern basis, however, as noted on page 14 there is a material uncertainty regarding going concern.

I note that the trustees are taking mitigating actions to improve performance, but am unable to confirm whether this will be sufficient. I also note that if a basis other than going concern were to be used, this would not materially affect the value of the assets and liabilities in the financial statements. As such my opinion for the independent examiner's report remains unmodified.

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

(1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or

(2) the accounts do not accord with those accounting records; or

(3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or

(4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities.

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.



Andrew Collyer  
Independent Examiner

Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

23/2/23

# Grangewood Educational Association

## Company Limited by Guarantee

### Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2021

		2021		2020
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	5	326,427	326,427	346,218
<b>Total income</b>		<u>326,427</u>	<u>326,427</u>	<u>346,218</u>
<b>Expenditure</b>				
Expenditure on raising funds:				
Costs of raising donations and legacies	6	200,110	200,110	254,196
Expenditure on charitable activities	7,8	307,800	307,800	276,350
Other expenditure	9	1,274	1,274	1,185
<b>Total expenditure</b>		<u>509,184</u>	<u>509,184</u>	<u>531,731</u>
<b>Net expenditure and net movement in funds</b>		<u>(182,757)</u>	<u>(182,757)</u>	<u>(185,513)</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		210,741	210,741	396,254
<b>Total funds carried forward</b>		<u>27,984</u>	<u>27,984</u>	<u>210,741</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 14 to Error! Bookmark not defined. form part of these financial statements.

# Grangewood Educational Association

## Company Limited by Guarantee

### Statement of Financial Position

31 August 2021

	Note	2021 £	2020 £
<b>Current assets</b>			
Debtors	14	31,329	28,710
Cash at bank and in hand		126,689	236,374
		<u>158,018</u>	<u>265,084</u>
<b>Creditors: amounts falling due within one year</b>	15	130,034	54,343
<b>Net current assets</b>		<u>27,984</u>	<u>210,741</u>
<b>Total assets less current liabilities</b>		<u>27,984</u>	<u>210,741</u>
<b>Net assets</b>		<u>27,984</u>	<u>210,741</u>
<b>Funds of the charity</b>			
Unrestricted funds		27,984	210,741
<b>Total charity funds</b>	18	<u>27,984</u>	<u>210,741</u>

For the year ending 31 August 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

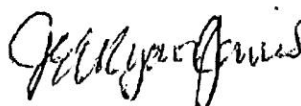
- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 23.12.2023, and are signed on behalf of the board by:



Mr J Agyeman  
Director



Ms J E E Jarvis  
Director

The notes on pages 14 to Error! Bookmark not defined. form part of these financial statements.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements

Year ended 31 August 2021

#### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Grangewood Independent School, Chester Road, Forest Gate, London, E7 8QT.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Going concern

The directors have considered going concern and assessed the possibility of cash running out as the historic data has shown the funds reducing year on year.

Based on their review they accept there is a material uncertainty on the charity's ability to continue however they are taking positive mitigating actions to generate the necessary reserves to prevent this from being the case.

These actions include:

##### Action 1:

Opening a SEND unit with capacity to accommodate up to 16 pupils with acute autistic needs requiring specialist 1-to-1 supervision and bespoke learning plans and styles. Should full capacity be achieved within the next 18 months, this will generate significant revenues.

##### Action 2:

Reducing the overheads of running the school by up to £20k per annum.

##### Action 3:

Supplementing and leveraging the school's staffing capabilities by using volunteers to cover non-core activities.

##### Action 4:

Working to secure a favourable long-term lease so that the school can be heavily marketed to prospective parents who may be concerned by the ongoing tenancy discussions with the landlord.

The accounts have been prepared on a going concern basis as the directors are confident the charity will be able to generate the funds necessary to continue to meet liabilities as they fall due.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

#### 3. Accounting policies *(continued)*

##### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### **Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the directors for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowment funds.

##### **Incoming resources**

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2021

#### 3. Accounting policies *(continued)*

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 20% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

#### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

#### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Short term debtors and creditors are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

#### 4. Limited by guarantee

The company is a private company limited by guarantee and has no share capital. Each member will undertake to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up, either whilst a member or within one year of ceasing to be a member.

#### 5. Donations and legacies

	<b>Total Funds 2021 £</b>	Total Funds 2020 £
<b>Donations</b>		
Fees receivable	285,449	191,878
Donations	1,122	549
School meals	1,619	4,438
<b>Grants</b>		
Government grant income	11,806	100,091
<b>Other donations and legacies</b>		
Other income	26,431	49,262
	<u>326,427</u>	<u>346,218</u>

#### 6. Costs of raising donations and legacies

	<b>Total Funds 2021 £</b>	Total Funds 2020 £
Costs of raising donations and legacies - Donations	<u>200,110</u>	<u>254,196</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2021

#### 7. Expenditure on charitable activities by fund type

	<b>Total Funds 2021</b>	Total Funds 2020
	£	£
Support costs	307,800	276,350

#### 8. Expenditure on charitable activities by activity type

	Support costs	<b>Total funds 2021</b>	Total fund 2020
	£	£	£
Primary education	247,048	247,048	237,774
Governance costs	60,752	60,752	38,576
	<u>307,800</u>	<u>307,800</u>	<u>276,350</u>

#### 9. Other expenditure

	<b>Total Funds 2021</b>	Total Funds 2020
	£	£
Bank fees	<u>1,274</u>	<u>1,185</u>

#### 10. Independent examination fees

	<b>2021</b>	2020
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,475</u>	<u>1,770</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2021

#### 11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2021	2020
	£	£
Wages and salaries	<u>278,757</u>	<u>317,603</u>

The average head count of employees during the year was 16 (2020: 17).

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

#### 12. Trustee remuneration and expenses

No remuneration was received by the trustees during the year (2020: nil).

#### 13. Tangible fixed assets

	Fixtures and fittings £
<b>Cost</b>	
At 1 September 2020 and 31 August 2021	<u>60,618</u>
<b>Depreciation</b>	
At 1 September 2020 and 31 August 2021	<u>60,618</u>
<b>Carrying amount</b>	
At 31 August 2021	<u>—</u>
At 31 August 2020	<u>—</u>

#### 14. Debtors

	2021	2020
	£	£
Trade debtors	24,440	7,477
Prepayments and accrued income	6,889	6,890
Other debtors	—	14,343
	<u>31,329</u>	<u>28,710</u>

#### 15. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	69,260	14,659
Accruals and deferred income	48,809	25,313
Social security and other taxes	4,698	4,334
Other creditors	7,267	10,037
	<u>130,034</u>	<u>54,343</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2021

#### 16. Deferred income

	<b>2021</b>	2020
	£	£
At 1 September 2020	21,113	–
Amount released to income	(21,113)	–
Amount deferred in year	44,609	21,113
<b>At 31 August 2021</b>	<u>44,609</u>	<u>21,113</u>

#### 17. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	<b>2021</b>	2020
	£	£
Recognised in income from donations and legacies:		
Government grants income	<u>11,806</u>	<u>100,091</u>

#### 18. Analysis of charitable funds

##### Unrestricted funds

	<b>At</b>			<b>At</b>
	<b>1 September</b>	<b>Income</b>	<b>Expenses</b>	<b>31 August</b>
	<b>2020</b>	<b>£</b>	<b>£</b>	<b>2021</b>
	£	£	£	£
General funds	<u>210,741</u>	<u>326,427</u>	<u>(509,184)</u>	<u>27,984</u>

	<b>At</b>			<b>At</b>
	<b>1 September</b>	<b>Income</b>	<b>Expenses</b>	<b>31 August</b>
	<b>2019</b>	<b>£</b>	<b>£</b>	<b>2020</b>
	£	£	£	£
General funds	<u>396,254</u>	<u>346,218</u>	<u>(531,731)</u>	<u>210,741</u>

# **Grangewood Educational Association**

**Company Limited by Guarantee**

**Management Information**

**Year ended 31 August 2021**

**The following pages do not form part of the financial statements.**

# Grangewood Educational Association

## Company Limited by Guarantee

### Detailed Statement of Financial Activities

Year ended 31 August 2021

	2021 £	2020 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Fees receivable	285,449	191,878
Donations	1,122	549
School meals	1,619	4,438
Government grant income	11,806	100,091
Other income	26,431	49,262
	<u>326,427</u>	<u>346,218</u>
<b>Total income</b>	<u>326,427</u>	<u>346,218</u>
<b>Expenditure</b>		
<b>Costs of raising donations and legacies</b>		
Wages and salaries	193,922	246,447
Education resources	1,902	1,622
Extra curricular activities	4,286	6,057
Staff training	–	70
	<u>200,110</u>	<u>254,196</u>
<b>Expenditure on charitable activities</b>		
Wages and salaries	84,835	71,156
Rent	62,917	94,842
Rates and water	13,891	13,393
Light and heat	15,735	15,271
Repairs and maintenance	394	718
Insurance	35,003	10,462
Other establishment	1,273	1,815
Motor vehicle expenses	3,603	3,589
Other motor/travel costs	1,152	2,456
Legal and professional fees	61,209	39,071
Telephone	3,885	3,013
Other office costs	3,725	2,447
Interest on bank loans and overdrafts	6,981	559
Catering	1,291	4,778
Website maintenance	11,894	12,205
School events	12	521
Sundry	–	54
	<u>307,800</u>	<u>276,350</u>
<b>Other expenditure</b>		
Bank fees	1,274	1,185
	<u>1,274</u>	<u>1,185</u>
<b>Total expenditure</b>	<u>509,184</u>	<u>531,731</u>

# Grangewood Educational Association

Company Limited by Guarantee

Detailed Statement of Financial Activities *(continued)*

Year ended 31 August 2021

	2021 £	2020 £
Net expenditure	<u>(182,757)</u>	<u>(185,513)</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Detailed Statement of Financial Activities

Year ended 31 August 2021

	2021 £	2020 £
<b>Costs of raising donations and legacies</b>		
<b>Costs of raising donations and legacies - Donations</b>		
Teaching expenses - wages and salaries	193,922	246,447
Teaching expenses - education resources	1,902	1,622
Teaching expenses - extra curricular activities	4,286	6,057
Teaching expenses - staff training	—	70
	<u>200,110</u>	<u>254,196</u>
<b>Costs of raising donations and legacies</b>	<u>200,110</u>	<u>254,196</u>
<b>Expenditure on charitable activities</b>		
<b>Activity type 1</b>		
<b>Support costs</b>		
Support costs - wages and salaries	84,835	71,156
Support costs - rent	62,917	94,842
Support costs - rates & water	13,891	13,393
Support costs - light & heat	15,735	15,271
Support costs - repairs & maintenance	394	718
Support costs - insurance	35,003	10,462
Support costs - other establishment	1,273	1,815
Support costs - subscriptions	3,603	3,589
Support costs - motor/travel costs	1,152	2,456
Support costs - marketing	457	495
Support costs - telephone	3,885	3,013
Support costs - other office costs	3,725	2,447
Support costs - bad debts	6,981	559
Support costs - catering	1,291	4,778
Support costs - website maintenance	11,894	12,205
Support costs - school events	12	521
Support costs - sundry	—	54
	<u>247,048</u>	<u>237,774</u>
<b>Governance costs</b>		
Governance costs - accountancy fees	2,217	2,836
Governance costs - legal and other professional fees	57,060	33,970
Governance costs - independent examination fees	1,475	1,770
	<u>60,752</u>	<u>38,576</u>
<b>Expenditure on charitable activities</b>	<u>307,800</u>	<u>276,350</u>

**GRANGEWOOD EDUCATIONAL ASSOCIATION**

England & Wales - Charity number 803492

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# Accounts

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COMPANY REGISTRATION NUMBER: 02435643  
CHARITY REGISTRATION NUMBER: 803492

**Grangewood Educational Association**  
**Company Limited by Guarantee**  
**Unaudited Financial Statements**  
**31 August 2020**

**BURGESS HODGSON LLP**

Chartered Accountants  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

# **Grangewood Educational Association**

**Company Limited by Guarantee**

**Financial Statements**

**Year ended 31 August 2020**

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# **Grangewood Educational Association**

**Company Limited by Guarantee**

**Trustees' Annual Report (Incorporating the Directors' Report)**

**Year ended 31 August 2020**

The directors, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 August 2020.

## **Reference and administrative details**

**Registered charity name** Grangewood Educational Association

**Charity registration number** 803492

**Company registration number** 02435643

**Principal office and registered office** Grangewood Independent School  
Chester Road  
Forest Gate  
London  
E7 8QT

**The directors** Mr J Agyeman  
Mr T Mpambawahle  
Ms J E E Jarvis

**Independent examiner** Andrew Collyer  
Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2020

#### Structure, governance and management

The Charity is controlled by its Memorandum and Articles of Association and constitutes a limited company, limited by guarantee as defined by the Companies Act 2006.

The Council of Management, who were the trustees and directors who served throughout the year September 2019 - August 2020, were:

- Mr J. Agyeman (Chair)
- Ms J. Jarvis (Trustee / Director)
- Mr T. Mpambawahle (Trustee / Director)

The 3 year turnaround plan implemented by the new trustees have resulted in tangible results after the first year, as the deficit has been reduced by nearly 50%, our pupil numbers were increasing at a steady rate and income from non-core activities had also increased by over 30% until the mandated lockdown which halted progress.

Despite the unprecedented events of the global pandemic and resulting impact on the education of children and young people across the UK, the wellbeing, mental health and academic progress of our students has been paramount. However, the impact on household finances meant that a significant portion of our parents struggled during the Summer term and the trustees agreed to offer discounted fees to support the families during the difficult times.

Transitioning to online learning was also challenging for both our staff and parents alike, especially as some families did not have the required IT facilities to support remote learning, however a hybrid approach was implemented which enabled to continuous learning through by weekly engagement.

The support of our parents has been crucial during these challenging times, and their trust and belief in the Charity has been a great source of strength and encouragement.

The Trustees and Board of Governors for the period from the 1 September 2019 to 31 August 2020 were as follows:

- Mr J. Agyeman (Chair)
- Mr N. Gray (Retired Department Head at Independent School / former Trustee)
- Pastor D. Meade (Minister of local Baptist Church)
- Ms A. Green (Parent Governor & Physicist)
- Ms L. Bannis (Secondary teacher and head of department)
- Ms S. McDonald (Parent Governor & office administrator)
- Mr C. Berry (Psychotherapist and former director of a counselling charity)
- Mr Blankson (Teacher)
- Miss Francis (Teacher)
- Mr Roberts (Business Manager)
- Mrs Roberts (Head Teacher)

The trustees, governors, teachers and other staff remain committed to fulfilling the objectives of the charity, along with cultivating an environment where children can thrive in their educational attainment and holistic growth.

Due to the extraordinary level of commitment, devotion, hard-work and determination of all the people passionate about Grangewood Independent School, we have continued to make good progress in our recovery plan, considering the tumultuous and devastating actions of the previous trustees whose report to the Charity Commission stated categorically that "the charity's poor finances warranted the

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2020

#### Achievements and performance *(continued)*

immediate closure of the school by the 31 March 2018". Our deficit has been reduced by nearly 50% and our pupil numbers were increasing steadily until all schools were forced to close as a result of the national lockdown announcement at the end of March 2020.

Unfortunately, we were unable to sign a new lease with our landlord due to last minute changes in the heads of terms which were unfavourable to the trustees and the lease was rejected accordingly. We are currently "holding over our lease" and waiting for a hearing date from the courts who were engaged by the landlord. A date around summer 2021 is expected due to a backlog in the courts system caused by the Covid-19 Pandemic.

#### Vision & Mission Statement

Grangewood Independent School was founded in 1979, and is an independent, co-educational school that provides a unique and multi-faceted educational experience for children of all faiths, from two to eleven years old. 'The attainment of pupils of all ages and abilities including those with SEND or EAL, and those who are more able, is good. In the Early Years Foundation Stage (EYFS), the children reach the expected levels of development, and in many cases, exceed them. National and standardised assessments in English and mathematics show that the small cohorts of pupils achieved above average results. The small size of the school and the family atmosphere enable staff to know pupils well and ensure that pupils' individual needs are met. They make good progress because teachers have a good knowledge of their strengths and weaknesses; as a result, pupils are aware of their individual targets from the frequent feedback they receive. All parents who responded to the pre-inspection questionnaire said that the teaching enables their children to make good progress and develop skills for their future, and that their children's educational needs are met effectively' (Quote from last ISI Integrated Inspection of Grangewood Independent, May 2019).

The vision of Grangewood is to establish a truly caring community to act as an extended family engendering mutual standards and objectives to foster pleasure in all achievements; 'Unlocking Potential with Excellence as our Hallmark' thus inspiring success, developing excellence, forming character and nurturing diligence.

The School's educational provision contains values which mirror Christian truths and are in accordance with the Articles of Faith. We maintain that the principles of FAITH, GROWTH, INDUSTRY, CARE and DISCIPLINE should be promoted in every pupil.

#### Mission Statement

Grangewood Independent School was established to promote:

- FAITH - A faith in the Lord Jesus Christ in every pupil that will equip them emotionally, spiritually and socially to face all of life's challenges.
- GROWTH - Growth is fostered in pupils by providing increasing opportunities for accepting responsibility during their passage through the School. Pupils are given the opportunity to move into leadership roles in the academic, sporting, cultural or administrative aspects of the School.
- INDUSTRY - Industry is practiced through a challenging academic programme offered to pupils through the curriculum, the development of physical agility through sport and the promotion of creative and artistic abilities.
- CARE - Care is an essential part of Grangewood Independent. The School's pastoral programme reflects many of the traditional moral values and seeks to support the family unit and to teach Christian values.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2020

#### Achievements and performance *(continued)*

- **DISCIPLINE** - Discipline is a valued ingredient at Grangewood. The standards are clearly defined through school culture and expressed in a policy that recognises the rights of every individual to feel safe, comfortable and free to achieve the highest levels of success in each part of the many facets of school life. The key to the maintenance of this environment at Grangewood is the development of self-discipline and an appreciation of others.

#### Organisational Structure

The Association is a registered charity with a Christian ethos and is managed by the Board of Trustees.

The Association wholly owns Grangewood Independent School. The school is managed by the Board of Governors who are appointed by the trustees of the association. The Governors are responsible for the day-to-day management of the school as prescribed in the governors' constitution and subject to the overview and approval of the trustees.

#### Objectives and activities

##### Our Aims:

The school is dedicated to the provision of quality primary education in a deprived area of East London.

- To promote and teach Christian values within the framework of a structured curriculum.
- To teach the values of social responsibility and respect for others thus improving the quality of good citizenship within the community.
- To provide a structured educational environment that will ensure that pupils develop their competence and skills (academic, artistic, linguistic, and musical) to the limit of their ability.
- To promote health and fitness of pupils by including physical exercise and organised sport activities both within the curriculum and in out-of-school events.

##### Our Objectives:

In setting out objectives and planning activities the Trustees and Governors have given due consideration to the Charities Commission's guidance on public benefit.

- To restrict class sizes to a maximum of 20 children per class thus enabling a high level of individual pastoral care and educational tuition.
- To enhance and improve before and after school care provision for children.
- To increase numbers of pupils on roll and by so doing increase income to a level which will allow some financial aid being offered to those families who cannot afford the going rate of fees charged.
- To increase our involvement in community regeneration activities.
- To allow use of our school premises for suitable community and/or charitable purposes.
- To continue collaboration with local councillors, local authority and partnerships to improve state education and social mobility.

#### Ethos, Strategy and Policies

Grangewood Independent is a school with a Christian ethos. It is a requirement that all Trustees, Governors and staff protect and enhance this ethos. Children from other faith backgrounds are welcome as pupils at Grangewood providing that their parents/guardians are aware of and accept our Christian ethos. All children will be given the same level of care and attention regardless of their faith, race, gender, or sexual orientation. The Board of Trustees have overall responsibility for ensuring that

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2020

#### **Achievements and performance** *(continued)*

no school activities are in conflict with our published ethos.

Matters relating to operational procedures, methods and all other operational activities will be dealt with by the Board of Governors. Significant items agreed by Governors may be presented to the Trustees for approval at the discretion of the chairman of the governors.

Trustees and Governors will regularly review, plan and sanction where applicable the following:

- Curriculum content, teaching practices and performance and examination results
- Pre and post school day care provision
- Community projects in which we wish to participate
- Investments in the resources and infrastructure of the school
- Staff remuneration
- School fees adjustments and discounts
- Development of method for awarding bursaries when this becomes affordable
- School development and promotion plans.

Grangewood Educational Association is a charitable trust which seeks to benefit the community through the pursuit of its stated aims. Our fees are set at the minimum level needed to attract sufficient student numbers in an attempt to ensure the financial viability of Grangewood School and at a level that is consistent with our aim to provide a first-class education to both boys and girls of primary school age.

To admit a prospective pupil, we need to be satisfied that we will be able to educate and develop that pupil to the best of their potential and in line with the general standards achieved by their peers. To this end entrance interview and classroom assessments are undertaken to satisfy ourselves and parents that the child can cope with the pace of learning and benefit from the education that we provide. Gender, ethnicity, race, religion, disability, or economic status of parents/guardians do not form part of our assessment procedures.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination.

Grangewood Independent School is committed to safeguarding and promoting the welfare of its pupils. All staff and volunteers are expected to share this commitment and are helped through training and sound governance to actively play their part in protecting children from harm and promoting their welfare.

We are committed to providing a safe and secure environment for learning and have a zero-tolerance policy on all forms of bullying and anti-social behaviour. All staff and volunteers are committed to these principles.

We are accredited by the Independent School Association (ISA) and are inspected by the Independent Schools Inspectorate (ISI).

#### **Access Policy**

We are exploring new and innovative ways of offering access to the school to all the local community regardless of ability to pay. We have investigated supplementing the hours included in the Government funded Early Years Childcare scheme in every attempt to increase accessibility, as well as planning to spearhead projects which will benefit the community and generate sufficient surplus income to increase the number of bursaries available at the school.

In order to make it possible for as many lower income families as possible to benefit from the services of the school, we have elected to keep our base fee structure at a level which just recovers our total

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

#### Year ended 31 August 2020

##### **Achievements and performance** *(continued)*

operating cost. Fee increases are measured to minimise any adverse impact on our current population and make the school less affordable to a number of families who currently support the school. Some of our parents already make personal sacrifices in order to meet the charges.

##### **Risk Management**

The Trustees understand the duty they have to identify and review the risks to which the Association is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

##### **Strategic report**

The following sections for achievements and performance and financial review form the strategic report of the charity.

##### **Achievements and performance**

###### **COVID-19:**

Despite the unprecedented events of the global pandemic and resulting impact on the education of children and young people across the UK, the wellbeing, mental health and academic progress of our students has been paramount. Grangewood's pedagogy of small class sizes and individual learning meant that we were already in a very strong position to help our students transition back to the expected (or in some cases, accelerated) learning trajectory for their year group, following the initial lockdown from 23 March 2020 and 2019/20 summer term. Our curriculum was also reviewed to factor in any necessary adaptations, modifications and planning for extra support or intervention.

###### **End of Key Stage Outcomes 2019/2020:**

During 2019/20 our Reception data (Early Years Foundation Stage Profile data) was moderated by the Local Authority (Newham).

EYFS - Expected 100%	Exceeding 17%
KS1 - Expected 100%	Exceeding 100%
KS2 - Expected 100%	

The education on offer at Grangewood means that we are able to stretch the more able and guide our students to higher-than-expected progress, as well as successfully turning around children who transfer from other schools with behavioural or SEN needs.

###### **Secondary School Transitions:**

No students were entered for 11+ examinations or Common Entrance examinations. At the end of the academic year 2019/20 - 100% of Year Six students gained entry to their first choice, highly sought-after secondary school.

###### **PE & Sport:**

KS1 and KS2 pupils were able to participate in sporting competitions against other Newham school during the autumn term; however, due to COVID-19 restrictions, from February 2020 all such activities and events were cancelled.

###### **Nursery Provision:**

We continue to offer part-time two-year-old provision, flexible "30 hours of free childcare" for working parents of three- and four-year olds and increased wrap around care through our Extended Hours

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2020

#### **Achievements and performance** *(continued)*

Clubs, which have increased our accessibility for local families.

#### **School Travel Plan:**

The promotion of cycling, scooting and walking as healthy, environmentally friendly, and fun ways to get to school remain a central part of our School Travel Plan.

#### **PSHE & Citizenship:**

Our Year Five and Year Six students continue to participate in Newham's Faith in Schools project and support local primary school pupils in developing a better understanding of events such as Christmas and Easter. In the year 2019/20, we were only able to support the Christmas programme.

Whole school engagement with Newham's Policing Programme, moved from in-school visits to online, remote sessions with the older pupils.

#### **Links:**

ABA SEN Resource Unit for under 5's on site.

Students spent another year raising funds for Richard House Children's Hospice through Book Character Fund raising and non-uniform days. We have well established links with the local university. Work placement for NVQ candidates and GCSE pupils continue to be commonplace, as we support local colleges and secondary schools.

#### **Financial review**

The attached financial statements together with notes show the incoming and outgoing sources for the year and state of affairs at the Balance Sheet date. Net deficit for the year was £185,515 (2019 - net deficit of £373,805).

The principal source of income was school fees which represented around 63% of total incoming resources. Included in the remaining income was:

- £ 100,091 Furlough Payment
- £ 42,219 Rental Income
- £ 4,438 School Meals Income
- £ 3,618 Music Income

#### **Application of Funds:**

As an educational charity, the Association enjoys tax exemption on activities provided that these benefits are applied towards charitable aims. The Association also receives a reduction in business rates. The financial benefits of these exemptions are applied for educational purposes.

# Grangewood Educational Association

## Company Limited by Guarantee

### Trustees' Annual Report (Incorporating the Directors' Report) *(continued)*

Year ended 31 August 2020

#### Financial review *(continued)*

##### Reserves Policy

The charity aims to maintain reserves of £370,000 to ensure sufficient funds to cover the rent and operational costs for two school terms.

Given the financial pressures that the school has recently experienced due the Covid-19 Pandemic, we have reduced the reserves policy down to £200,000 in order to allow us some flexibility to manage cashflow challenges.

##### Trustees' responsibilities statement

The trustees, who are also directors 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 charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

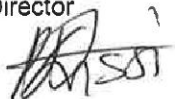
In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

The trustees' annual report (incorporating the directors' report) and the strategic report were approved on 20-8-21..... and signed on behalf of the board of trustees by:

Mr J Agyeman  
Director



Mr T Mpambawahle  
Director



Ms J E E Jarvis  
Director



# Grangewood Educational Association

## Company Limited by Guarantee

### Independent Examiner's Report to the Directors of Grangewood Educational Association *(continued)*

#### Year ended 31 August 2020

I report to the directors on my examination of the financial statements of Grangewood Educational Association ('the charity') for the year ended 31 August 2020.

#### Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

#### Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

The accounts have been prepared on a going concern basis, however, as noted on page 13 there is a material uncertainty regarding going concern.

I note that the trustees are taking mitigating actions to improve performance but am unable to confirm whether this will be sufficient. I also note that if a basis other than going concern were to be used, this would not materially affect the value of the assets and liabilities in the financial statements. As such my opinion for the independent examiner's report remains unmodified.

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

- (1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
- (2) the accounts do not accord with those accounting records; or
- (3) the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
- (4) the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended practice for accounting and reporting by charities.

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.

 25/08/2021

Andrew Collyer  
Independent Examiner

# **Grangewood Educational Association**

**Company Limited by Guarantee**

**Independent Examiner's Report to the Directors of Grangewood Educational  
Association *(continued)***

**Year ended 31 August 2020**

Camburgh House  
27 New Dover Road  
Canterbury  
Kent  
CT1 3DN

# Grangewood Educational Association

Company Limited by Guarantee

## Statement of Financial Activities (including income and expenditure account)

Year ended 31 August 2020

		2020		2019
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	5	346,218	346,218	282,969
<b>Total income</b>		<u>346,218</u>	<u>346,218</u>	<u>282,969</u>
<b>Expenditure</b>				
Expenditure on raising funds:				
Costs of raising donations and legacies	6	254,196	254,196	322,023
Expenditure on charitable activities	7,8	276,350	276,350	333,253
Other expenditure	9	1,185	1,185	1,498
<b>Total expenditure</b>		<u>531,731</u>	<u>531,731</u>	<u>656,774</u>
<b>Net expenditure and net movement in funds</b>		<u>(185,513)</u>	<u>(185,513)</u>	<u>(373,805)</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		396,254	396,254	770,059
<b>Total funds carried forward</b>		<u>210,741</u>	<u>210,741</u>	<u>396,254</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

# Grangewood Educational Association

## Company Limited by Guarantee

### Statement of Financial Position

31 August 2020

	Note	2020 £	2019 £
<b>Current assets</b>			
Debtors	13	28,710	19,502
Cash at bank and in hand		<u>236,374</u>	<u>405,527</u>
		265,084	425,029
<b>Creditors: amounts falling due within one year</b>	14	<u>54,343</u>	<u>28,775</u>
<b>Net current assets</b>		<u>210,741</u>	<u>396,254</u>
<b>Total assets less current liabilities</b>		<u>210,741</u>	<u>396,254</u>
<b>Net assets</b>		<u>210,741</u>	<u>396,254</u>
<b>Funds of the charity</b>			
Unrestricted funds		<u>210,741</u>	<u>396,254</u>
<b>Total charity funds</b>	17	<u>210,741</u>	<u>396,254</u>

For the year ending 31 August 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on 20.8.20, and are signed on behalf of the board by:

Mr J Agyeman  
Director



Mr T Mpambawahle  
Director



Ms J E E Jarvis  
Director



The notes on pages 13 to 19 form part of these financial statements.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements

Year ended 31 August 2020

#### 1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Grangewood Independent School, Chester Road, Forest Gate, London, E7 8QT.

#### 2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006.

#### 3. Accounting policies

##### Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

##### Going concern

The directors have considered going concern and assessed the possibility of cash running out as the historic data has shown the funds reducing year on year.

Based on their review they accept there is a material uncertainty on the charity's ability to continue however they are taking positive mitigating actions to generate the necessary reserves to prevent this from being the case.

These actions include:

##### Action 1:

Opening a SEND unit with capacity to accommodate up to 16 pupils with acute autistic needs requiring specialist 1-to-1 supervision and bespoke learning plans and styles. Should full capacity be achieved within the next 18 months, this will generate significant revenues.

##### Action 2:

Reducing the overheads of running the school by up to £20k per annum.

##### Action 3:

Supplementing and leveraging the school's staffing capabilities by using volunteers to cover non-core activities.

##### Action 4:

Working to secure a favourable long-term lease so that the school can be heavily marketed to prospective parents who may be concerned by the ongoing tenancy discussions with the landlord.

The accounts have been prepared on a going concern basis as the directors are confident the charity will be able to generate the funds necessary to continue to meet liabilities as they fall due.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2020

#### 3. Accounting policies *(continued)*

##### Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

##### Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the directors for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal and fall into one of two sub-classes: restricted income funds or endowment funds.

##### Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

#### 3. Accounting policies *(continued)*

##### Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

##### Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

##### Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings                      -    20% straight line

##### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

#### 3. Accounting policies *(continued)*

##### Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the charity will comply with the conditions attaching to them and the grants will be received.

Where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

##### Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Short term debtors and creditors are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account.

#### 4. Limited by guarantee

The company is a private company limited by guarantee and has no share capital. Each member will undertake to contribute such amount as may be required (not exceeding £1) to the company's assets if it should be wound up, either whilst a member or within one year of ceasing to be a member.

#### 5. Donations and legacies

	Total Funds 2020 £	Total Funds 2019 £
<b>Donations</b>		
Fees receivable	191,878	211,856
Donations	549	1,830
School meals	4,438	11,582
<b>Grants</b>		
Government grant income	100,091	—
<b>Other donations and legacies</b>		
Other income	49,262	57,701
	<u>346,218</u>	<u>282,969</u>

#### 6. Costs of raising donations and legacies

	Total Funds 2020 £	Total Funds 2019 £
Costs of raising donations and legacies - Donations	<u>254,196</u>	<u>322,023</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

Year ended 31 August 2020

#### 7. Expenditure on charitable activities by fund type

	Total Funds 2020 £	Total Funds 2019 £
Support costs	276,350	333,253

#### 8. Expenditure on charitable activities by activity type

	Support costs £	Total funds 2020 £	Total fund 2019 £
Primary education	237,774	237,774	257,969
Governance costs	38,576	38,576	75,284
	<u>276,350</u>	<u>276,350</u>	<u>333,253</u>

#### 9. Other expenditure

	Total Funds 2020 £	Total Funds 2019 £
Bank fees	<u>1,185</u>	<u>1,498</u>

#### 10. Independent examination fees

	2020 £	2019 £
Fees payable to the independent examiner for: Independent examination of the financial statements	1,770	1,770

#### 11. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2020 £	2019 £
Wages and salaries	<u>317,603</u>	<u>344,902</u>

The average head count of employees during the year was 17 (2019: 19). The average number of full-time equivalent employees during the year is analysed as follows:

	2020 No.	2019 No.
Number of staff – direct	5	6
Number of staff – admin	1	1
	<u>6</u>	<u>17</u>

No employee received employee benefits of more than £60,000 during the year (2019: Nil).

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2020

#### 12. Trustee remuneration and expenses

No remuneration was received by the trustees during the year (2019: nil).

#### 13. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 September 2019 and 31 August 2020	<u>60,618</u>
Depreciation	
At 1 September 2019 and 31 August 2020	<u>60,618</u>
Carrying amount	
At 31 August 2020	<u>—</u>
At 31 August 2019	<u>—</u>

#### 14. Debtors

	2020 £	2019 £
Trade debtors	7,477	6,665
Prepayments and accrued income	6,890	12,837
Other debtors	14,343	—
	<u>28,710</u>	<u>19,502</u>

#### 15. Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	14,659	5,630
Accruals and deferred income	25,313	4,255
Social security and other taxes	4,334	10,852
Other creditors	10,037	8,038
	<u>54,343</u>	<u>28,775</u>

#### 16. Deferred income

	2020 £	2019 £
Amount deferred in year	<u>21,113</u>	<u>—</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Financial Statements *(continued)*

#### Year ended 31 August 2020

#### 17. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2020 £	2019 £
Recognised in income from donations and legacies: Government grants income	<u>100,091</u>	<u>-</u>

#### 18. Analysis of charitable funds

##### Unrestricted funds

	At 1 September 2019 £	Income £	Expenses £	At 31 August 2020 £
General funds	<u>396,254</u>	<u>346,218</u>	<u>(531,731)</u>	<u>210,741</u>

	At 1 September 2018 £	Income £	Expenses £	At 31 August 2019 £
General funds	<u>770,059</u>	<u>282,969</u>	<u>(656,774)</u>	<u>396,254</u>

**Grangewood Educational Association**  
**Company Limited by Guarantee**  
**Management Information**  
**Year ended 31 August 2020**

**The following pages do not form part of the financial statements.**

# Grangewood Educational Association

Company Limited by Guarantee

## Detailed Statement of Financial Activities

Year ended 31 August 2020

	2020 £	2019 £
<b>Income and endowments</b>		
<b>Donations and legacies</b>		
Fees receivable	191,878	211,856
Donations	549	1,830
School meals	4,438	11,582
Government grant income	100,091	—
Other income	49,262	57,701
	<u>346,218</u>	<u>282,969</u>
<b>Total income</b>	<u>346,218</u>	<u>282,969</u>
<b>Expenditure</b>		
<b>Costs of raising donations and legacies</b>		
Wages and salaries	246,447	299,117
Education resources	1,622	6,106
Extra curricular activities	6,057	15,909
Staff training	70	891
	<u>254,196</u>	<u>322,023</u>
<b>Expenditure on charitable activities</b>		
Wages and salaries	71,156	45,785
Rent	94,842	115,000
Rates and water	13,393	13,270
Light and heat	15,271	20,264
Repairs and maintenance	718	6,496
Insurance	10,462	7,055
Other establishment	1,815	1,844
Subscriptions	3,589	6,428
Other motor/travel costs	2,456	1,754
Legal and professional fees, marketing & accountancy fees	39,071	84,029
Telephone	3,013	2,985
Other office costs	2,447	4,288
Bad debts written off	559	(8,699)
Catering	4,778	11,756
Website maintenance	12,205	19,776
School events	521	1,000
Sundry	54	222
	<u>276,350</u>	<u>333,253</u>
<b>Other expenditure</b>		
Bank fees	1,185	1,498
<b>Total expenditure</b>	<u>531,731</u>	<u>656,774</u>

**Grangewood Educational Association**  
**Company Limited by Guarantee**  
**Detailed Statement of Financial Activities** *(continued)*  
**Year ended 31 August 2020**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Net expenditure</b>	<u>(185,513)</u>	<u>(373,805)</u>

# Grangewood Educational Association

## Company Limited by Guarantee

### Notes to the Detailed Statement of Financial Activities

Year ended 31 August 2020

	2020 £	2019 £
<b>Costs of raising donations and legacies</b>		
<b>Costs of raising donations and legacies - Donations</b>		
Teaching expenses - wages and salaries	246,447	299,117
Teaching expenses - education resources	1,622	6,106
Teaching expenses - extra curricular activities	6,057	15,909
Teaching expenses - staff training	70	891
	<u>254,196</u>	<u>322,023</u>
<b>Costs of raising donations and legacies</b>	<u>254,196</u>	<u>322,023</u>
<b>Expenditure on charitable activities</b>		
<b>Primary education</b>		
<b>Support costs</b>		
Support costs - wages and salaries	71,156	45,785
Support costs - rent	94,842	115,000
Support costs - rates & water	13,393	13,270
Support costs - light & heat	15,271	20,264
Support costs - repairs & maintenance	718	6,496
Support costs - insurance	10,462	7,055
Support costs - other establishment	1,815	1,844
Support costs - subscriptions	3,589	6,428
Support costs - motor/travel costs	2,456	1,754
Support costs - marketing	495	8,745
Support costs - telephone	3,013	2,985
Support costs - other office costs	2,447	4,288
Support costs - bad debts	559	(8,699)
Support costs - catering	4,778	11,756
Support costs - website maintenance	12,205	19,776
Support costs - school events	521	1,000
Support costs - sundry	54	222
	<u>237,774</u>	<u>257,969</u>
<b>Governance costs</b>		
Governance costs - accountancy fees	2,836	2,681
Governance costs - legal and other professional fees	33,970	65,957
Governance costs - independent examination fees	1,770	1,770
Governance costs - fines and penalties	—	4,876
	<u>38,576</u>	<u>75,284</u>
<b>Expenditure on charitable activities</b>	<u>276,350</u>	<u>333,253</u>

