

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
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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.new line]
- 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:

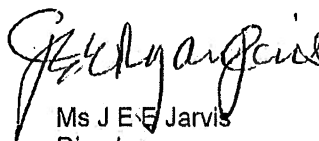
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate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

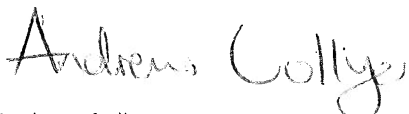
(1) accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or

(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 £
Income and endowments				
Donations and legacies	5	855,817	855,817	813,085
Total income		<u>855,817</u>	<u>855,817</u>	<u>813,085</u>
Expenditure				
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
Total expenditure		<u>944,301</u>	<u>944,301</u>	<u>825,496</u>
Net expenditure and net movement in funds		<u>(88,484)</u>	<u>(88,484)</u>	<u>(12,411)</u>
Reconciliation of funds				
Total funds brought forward		(114,920)	(114,920)	(102,509)
Total funds carried forward		<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 £
Current assets			
Debtors	15	175,960	71,241
Cash at bank and in hand		39,239	37,484
		<u>215,199</u>	<u>108,725</u>
Creditors: amounts falling due within one year	16	<u>418,603</u>	<u>223,645</u>
Net current liabilities		<u>203,404</u>	<u>114,920</u>
Total assets less current liabilities		<u>(203,404)</u>	<u>(114,920)</u>
Net liabilities		<u>(203,404)</u>	<u>(114,920)</u>
Funds of the charity			
Unrestricted funds		(203,404)	(114,920)
Total charity funds	18	<u>(203,404)</u>	<u>(114,920)</u>

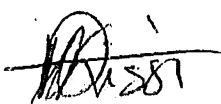
For the year ending 31 August 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

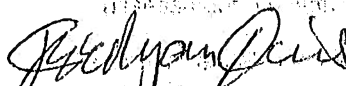
Directors' responsibilities:

- 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 £
Cash flows from operating activities		
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>
Net increase in cash and cash equivalents	1,755	34,966
Cash and cash equivalents at beginning of year	<u>37,484</u>	<u>2,518</u>
Cash and cash equivalents at end of year	<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 £
Donations				
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
Other donations and legacies				
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 No.	2023 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 £
Cost	
At 1 September 2023 and 31 August 2024	<u>60,618</u>
Depreciation	
At 1 September 2023 and 31 August 2024	<u>60,618</u>
Carrying amount	
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	<u>200,067</u>	<u>31,812</u>
At 31 August 2024	<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>
Net liabilities	<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>
Net liabilities	<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>

