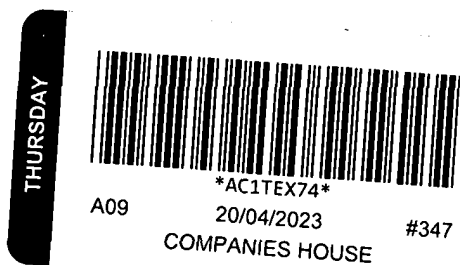


Registered number: 05364793
Charity number: 1122682

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

UNAUDITED
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022



THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

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THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2022

| | |
|----------------------------------|--|
| Trustees | Roderick Cantrill (appointed 18 October 2021) Rachel Edwards Toreanna Friday (appointed 23 July 2022, Treasurer from 4 October 2022) Sidra Jabeen (appointed 20 February 2023) Maria Mosher Jonathan Pattinson Jane Plows Cecilia Prichard Jones Julia Proctor Rajani Rao (appointed 23 July 2022) Eleanor Riley (appointed 23 July 2022) Clare Sage (Treasurer, resigned 4 October 2022) |
| Company registered number | 05364793 |
| Charity registered number | 1122682 |
| Registered office | 4A Millington Road CAMBRIDGE CB3 9HB |
| Accountants | Mrs K Bretherick FCA Peters Elworthy & Moore Salisbury House Station Road Cambridge CB1 2LA |
| Bankers | HSBC PO Box 85 City Office Cambridge CB2 3HZ |

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

The Trustees present their annual report together with the financial statements of the Charity for the year 1 September 2021 to 31 August 2022. The Annual Report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Since the company qualifies as small under section 383, the strategic report required of large and medium companies under the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

OBJECTIVES AND ACTIVITIES

The Charity was formed to carry on the Millington Road Nursery School and to promote the advancement of education.

The average number of children on the Nursery's register in 2021-22 was 48 (compared to 40 in 2020-21).

The Trustees are aware of the Charity Commission guidance on public benefit and their operation of the Nursery School reflects this in the following ways:

- a) The Nursery is a partner in the government's Early Years Foundation Stage Programme and parents of children in their pre-school year can obtain a grant to cover all of the cost of up to fifteen hours a week. This also includes funded two-year olds from referred families, and the school works closely with the Council and with parents to help these children.
- b) The Nursery supports the education and training of future childcare providers by the provision of work experience placements for students, school leavers and on occasion Duke of Edinburgh Award participants. The Nursery takes an active approach to the training and development of its staff, supporting and enabling participation in a range of training opportunities.
- c) Given its charitable status, the Nursery maintains its fees at as low a level as possible to cover its running costs. Income from fees is used to compensate for the fact that the reimbursement the nursery receives from the County Council for funded children does not by any means cover the costs of their nursery education. With this in mind, the trustees decided not to embark on the Government's scheme for providing 30 hours of free care. A hardship fund exists to help any parents who have unexpected financial difficulties and this can be used to provide extra free days for children who derive particular benefit from nursery education. No disbursements were made from this fund in the year to August 2022.
- d) The Trustees provide their professional skills and services as unpaid volunteers in order to keep costs at a minimum. They all visit the nursery on a regular basis and are available for consultation.
- e) The Nursery has always received children from many different nationalities whose parents are currently working or studying in Cambridge. It makes every effort to communicate with these children in their own language and to acknowledge various festivals from around the world as part of the curriculum.
- f) The Nursery has a strong commitment to following environmentally friendly policies in the school and promoting their wider use in the community. An Eco Committee of staff, trustees and parents continues to ensure that green policies are continued.

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

g) The Nursery is delighted that as covid restrictions have been lifted it has been able to involve itself once again in the neighbouring community, by inviting residents to visit the nursery to read to the children and to attend special events, and by maintaining links with local establishments by visiting the church and linking in with local schools.

ACHIEVEMENTS AND PERFORMANCE

Review of activities

The Nursery continues its policy of free choice between indoor and outdoor play, making full use of the secluded natural garden with its imaginative planting, raised walkway and treehouse and many other features, all making use of natural materials and giving a woodland feel. Forest School activities are undertaken by a member of staff who has completed the Forest School training. Staff, trustees and parents give their time to help maintain and further develop the garden.

We were delighted this year to be able to resume our normal patterns of engagement with our local community and parents. These have included stories, songs and a puppet show by neighbours and parents, and visits to the local church. At Christmas the children performed Christmas shows in smaller groups in our outside classroom, and we held a Teddy Bears' Picnic in the summer term for all our children and their parents.

The children have been thrilled with the addition of a weekly music and dance class with an inspirational professional music teacher, and they are very much looking forward to weekly yoga sessions with a teacher from Kings College School from September 2022.

A high proportion of the staff are engaged in further professional training. The Principal has BA honours degrees and Early Years Professional Status, and is part way through a part-time MA course with the University of East London. We encourage a broad range of relevant training, with one member of staff enjoying a horticulture course which has been of huge benefit already to our garden and children. We hope that another member of staff will soon participate in Forest School training, to support the staff member who is already qualified and leads the children in immensely popular and rewarding Forest School sessions.

The nursery has invested heavily in its IT systems this year, moving to a nursery-specific software solution. It provides significantly improved communication between parents and the nursery, as well as the ability to better plan staff ratios, easier and quicker invoicing and requests for additional hours.

Organisation

On 1 January 2022 the Trustees were delighted to appoint Ms Lena Pimm as the new Principal following the departure of our longstanding Principal, Mrs Mary Field. Ms Pimm had been Deputy Principle for a number of years, and has combined continuity with enthusiasm and energy for her new role to great effect, implementing a number of really effective changes to the way the nursery operates and engages with parents. The Principal works with and reports to the Trustees of the Nursery. The Trustees meet regularly throughout the year, and many individual Trustees also visit and support the nursery and the staff on an ongoing basis.

Inspections

The Nursery School received an inspection by Ofsted in September 2021 and was awarded "Outstanding" status in all areas. The report praised the highly skilled staff, who know their key children extremely well and use this information superbly to build on children's learning and help them make links in their world. It said that the staff are excellent role models for the children, are considerate and respectful, and make the most of opportunities to expertly extend children's learning.

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

Premises

The Charity occupies premises known as Millington Road Nursery School, which are owned by the Provost and Scholars of King's College, Cambridge. Until 28 September 2002, the premises were occupied at a peppercorn rent. Since then, the rent has been raised gradually to a competitive rate which is now set at £18,000 per annum until July 2027.

The Trustees and Principal of the nursery have carried out a programme of maintenance and improvement to the building and outdoor provision in the nursery, including repainting inside the nursery, renovation of the wooden walkway and new planting in the garden. The Trustees and management team worked closely with King's College and their agents during the planning and building stages of the development work which took place on adjoining land owned by the College, concluding in summer 2022.

Going Concern

The nursery operated at a loss of slightly under £5,000 in the year to August 2022. The income from fees was significantly lower than forecast in the Autumn term with fewer children than anticipated enrolling at the nursery, but by the Summer term numbers and therefore fees were significantly higher than anticipated. The Trustees are confident that the new leadership of the nursery will continue to increase the number of children on the roll by building on the existing strengths of our outstanding nursery, while also developing our relationship with local schools and looking at other ways to increase and improve our attractiveness to potential parents. Trustees will continue to monitor the number of children on the roll, staffing ratios and working hours, and look forward to working with the Principal and staff of the nursery over the year ahead.

FINANCIAL REVIEW

The Trustees and management team closely monitored the budget throughout what was another difficult year, and minimised unnecessary expenditure. Normal operations resulted in a deficit of £4,265 (2021: surplus of £14,998) with income for the year of £256,366 (2021: £258,688). Fees in the Autumn term were significantly lower than forecast, but higher by the Summer term. Total funds at the year end were £198,889 (2021 £203,154).

The trustees remain keen to ensure that children of low-income families can be accommodated at the nursery and can benefit fully from the excellent care and education provided. The board welcomes applications from parents and these are considered on a case by case basis by a sub-committee of three trustees including the Chair and Treasurer. Bursaries are awarded from the Hardship Fund, created several years ago for this purpose. No grants were requested or awarded in this financial year.

Reserves Policy

Our reserves are made up of both restricted and unrestricted funds. Our restricted funds must be spent in accordance with funders' criteria and within agreed timescales. This is carefully monitored and reported on regularly to funders.

We believe it is prudent to hold a level of unrestricted reserves that will support the charity during periods of uncertainty and any exceptional circumstances where additional financial support is needed. Any surplus achieved in the year will be added to these reserves. Included are designated reserves created specifically for redundancy and other contractual commitments in the event of closing down; a hardship fund (previously known as the bursary fund) to help parents with unexpected financial difficulties; and a maintenance fund to enable any large scale repairs or replacement equipment. We also have a designated fund for the cost of possible relocation. A general reserve allows for any unexpected drop in income or cash flow problems such as have occurred this year.

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity is registered as a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 15 February 2005, amended by a special resolution dated 25 March 2007. Charitable status was obtained on 7 February 2008. The assets and activities of the charity known as The Millington Road Nursery School Trust (charity registration number 300373) were transferred to the new incorporated charity on 31 August 2008. The Trustees (and their areas of expertise) who served during the year were:

Cecilia Prichard Jones
Clare Sage (Treasurer, resigned 4 October 2022)
Elizabeth Julia Proctor (King's College nominee)
Eleanor Riley
Jane Plows (Education)
Jonathan Pattinson
Maria Mosher
Rachel Edwards (Human Resources and from May 2020 Company Secretary)
Rajani Rao (from July 2022)
Rod Cantrill (from October 2021)
Toreanna Friday (appointed 23 July 2022, Treasurer from 4 October 2022)

The board of Trustees endeavour to appoint Trustees who will provide valuable and practical skills for the Charity. Many Trustees are current or former parents/grandparents of children at the school.


TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Millington Road Nursery School Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the 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 charitable company will continue in operation.

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

Approved by order of the members of the board of Trustees and signed on their behalf by:


.....
Cecilia Prichard Jones
Trustee
Date: 04 April 2023

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

INDEPENDENT EXAMINER'S REPORT
FOR THE YEAR ENDED 31 AUGUST 2022

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF THE MILLINGTON ROAD NURSERY SCHOOL TRUST ('the Charity')

I report to the charity Trustees on my examination of the accounts of the Charity for the year ended 31 August 2022.

RESPONSIBILITIES AND BASIS OF REPORT

As the Trustees of the Charity (and 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 Charity 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 the Charity's accounts 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 (enter body here), which is one of the listed bodies.

I have completed my examination. I confirm that no 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 Charity as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those 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 [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

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.

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's Report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Charity and the Charity's Trustees as a body, for my work or for this report.

Signed: *Kelly Bretherick*

Dated: 11 April 2023

Mrs K Bretherick FCA
Peters Elworthy & Moore, Chartered Accountants, Cambridge

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2022**

| | Note | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|------------------------------------|------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| INCOME FROM: | | | | | |
| Donations and legacies | 3 | 2,913 | 4,227 | 7,140 | 5,725 |
| Charitable activities | 6 | - | 248,368 | 248,368 | 236,255 |
| Other trading activities | 4 | - | 489 | 489 | 7,118 |
| Investments | 5 | - | 369 | 369 | 5 |
| Other income | 7 | - | - | - | 9,585 |
| TOTAL INCOME | | 2,913 | 253,453 | 256,366 | 258,688 |
| EXPENDITURE ON: | | | | | |
| Charitable activities | 8 | 6,167 | 254,464 | 260,631 | 243,690 |
| TOTAL EXPENDITURE | | 6,167 | 254,464 | 260,631 | 243,690 |
| NET MOVEMENT IN FUNDS | | (3,254) | (1,011) | (4,265) | 14,998 |
| RECONCILIATION OF FUNDS: | | | | | |
| Total funds brought forward | | 3,254 | 199,900 | 203,154 | 188,156 |
| Net movement in funds | | (3,254) | (1,011) | (4,265) | 14,998 |
| TOTAL FUNDS CARRIED FORWARD | | - | 198,889 | 198,889 | 203,154 |

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 9 to 24 form part of these financial statements.

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 05364793

BALANCE SHEET
AS AT 31 AUGUST 2022

| | Note | 2022 £ | 2021 £ |
|--|------|-----------------------|-----------------------|
| FIXED ASSETS | | | |
| Tangible assets | 10 | 5,206 | 6,401 |
| | | <u>5,206</u> | <u>6,401</u> |
| CURRENT ASSETS | | | |
| Debtors | 11 | 40,690 | 39,151 |
| Cash at bank and in hand | | 270,739 | 232,970 |
| | | <u>311,429</u> | <u>272,121</u> |
| Creditors: amounts falling due within one year | 12 | (117,746) | (75,368) |
| NET CURRENT ASSETS | | <u>193,683</u> | <u>196,753</u> |
| TOTAL NET ASSETS | | <u><u>198,889</u></u> | <u><u>203,154</u></u> |
| CHARITY FUNDS | | | |
| Restricted funds | 13 | - | 3,254 |
| Unrestricted funds | 13 | 198,889 | 199,900 |
| TOTAL FUNDS | | <u><u>198,889</u></u> | <u><u>203,154</u></u> |

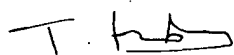
The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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

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



.....
Toreanna Friday

Treasurer

Date: 03 April 2023.

The notes on pages 9 to 24 form part of these financial statements.

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

1. GENERAL INFORMATION

The Millington Road Nursery School Trust is a charitable company limited by guarantee and registered in England and Wales. The registered office and members of the Charity can be found on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

The Charity's functional and presentational currency is GBP.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Millington Road Nursery School Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

There are no significant judgements and estimates made in applying the Charity's accounting policies. There are no key assumptions or sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

2.2 GOING CONCERN

The Trustees have reviewed the financial position of the Charity and have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future.

There are no material uncertainties in relation to going concern.

Accordingly, the financial statements continue to be prepared on the going concern basis.

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. ACCOUNTING POLICIES (CONTINUED)

2.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 INCOME

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Parent and third party fees are recognised in the period to which they relate, with any fees received in advance being deferred.

Donations are recognised in the period in which they are received.

Grants are recognised when the Charity has been notified in writing of both the amount and settlement date. In the event that a grant is subject to conditions that require a level of performance before the Charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the Charity and it is probable that those conditions will be fulfilled in the reporting period.

Income received under the Coronavirus Job Retention Scheme is matched to the salary costs that have been incurred in the period. Income and expenditure are shown separately and are not netted off.

2.5 EXPENDITURE

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity.

Support costs including governance costs are those costs incurred directly in support of expenditure on the objects of the Charity and include overheads incurred in the running of the Nursery. Governance costs are those incurred in connection with administration of the Charity and compliance with constitutional and statutory requirements.

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

2. ACCOUNTING POLICIES (CONTINUED)

2.5 EXPENDITURE (CONTINUED)

All expenditure is inclusive of irrecoverable VAT.

2.6 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.7 PENSIONS

The Charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Charity to the fund in respect of the year.

2.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

| | | |
|-----------------------|---|----------------------|
| Fixtures and fittings | - | 20% reducing balance |
| Leasehold property | - | 13% straight line |

2.9 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.10 CASH AT BANK AND IN HAND

~~Cash at bank and in hand includes cash and short-term highly-liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.~~

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

2. ACCOUNTING POLICIES (CONTINUED)

2.11 LIABILITIES AND PROVISIONS

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Statement of Financial Activities as a finance cost.

2.12 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

3. INCOME FROM DONATIONS AND GRANTS

| | Restricted funds 2022 £ | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-------------------|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Donations | 1,263 | 4,227 | 5,490 | 4,075 |
| Grants | 1,650 | - | 1,650 | 1,650 |
| | <u>2,913</u> | <u>4,227</u> | <u>7,140</u> | <u>5,725</u> |
| TOTAL 2021 | <u>1,650</u> | <u>4,075</u> | <u>5,725</u> | |

Included within donations is an in-kind donation of £3,000 from King's College, who waived the rent step-up until the end of the lease in 2022 and a waiver of rates by Cambridge City council of £763.

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

4. FUNDRAISING INCOME

Income from fundraising events

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-------------|------------------------------------|-----------------------------|-----------------------------|
| Fundraising | 489 | 489 | 7,118 |
| | <u>489</u> | <u>489</u> | <u>7,118</u> |
| TOTAL 2021 | 7,118 | 7,118 | |
| | <u>7,118</u> | <u>7,118</u> | |

5. INVESTMENT INCOME

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-------------------|------------------------------------|-----------------------------|-----------------------------|
| Interest received | 369 | 369 | 5 |
| | <u>369</u> | <u>369</u> | <u>5</u> |
| TOTAL 2021 | 5 | 5 | |
| | <u>5</u> | <u>5</u> | |

6. INCOME FROM CHARITABLE ACTIVITIES

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Fees Received (from Parents) | 165,742 | 165,742 | 166,517 |
| Funding towards fees | 82,626 | 82,626 | 69,738 |
| | <u>248,368</u> | <u>248,368</u> | <u>236,255</u> |
| TOTAL 2021 | 236,255 | 236,255 | |
| | <u>236,255</u> | <u>236,255</u> | |

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

7. OTHER INCOMING RESOURCES

| | Unrestricted funds 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|----------------------------------|------------------------------------|-----------------------------|-----------------------------|
| Coronavirus Job Retention Scheme | - | - | 9,585 |
| | <u> </u> | <u> </u> | <u> </u> |
| TOTAL 2021 | <u>9,585</u> | <u>9,585</u> | |

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

| | Activities undertaken directly 2022 £ | Support costs 2022 £ | Total funds 2022 £ | Total funds 2021 £ |
|-----------------------|---|-------------------------------|-----------------------------|-----------------------------|
| Charitable Activities | 132,468 | 128,163 | 260,631 | 243,690 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| TOTAL 2021 | <u>136,650</u> | <u>107,040</u> | <u>243,690</u> | |

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**NOTES TO THE FINANCIAL STATEMENTS
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8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

| | Total funds 2022 £ | Total funds 2021 £ |
|--------------------------------------|---------------------------------------|---------------------------------------|
| Staff costs | 125,167 | 129,458 |
| Supplies and consumables | 556 | 389 |
| General suppliers and play equipment | 5,081 | 3,873 |
| Training costs | 464 | 1,836 |
| Child development costs | 1,200 | 140 |
| Bursaries granted | - | 954 |
| | 132,468 | 136,650 |

In 2022 direct costs of £6,167 (2021: £1,650) were met from restricted funds.

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8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

| | Total funds 2022 £ | Total funds 2021 £ |
|--|-----------------------------|-----------------------------|
| Staff costs | 57,372 | 49,017 |
| Accountancy fee (governance) | 2,624 | 2,289 |
| Independent examiners fees (governance) | 700 | 615 |
| Legal and professional fees (governance) | 1,020 | 900 |
| Rent | 18,000 | 17,732 |
| Rates, water and insurance | 4,301 | 4,059 |
| Light and heat | 3,420 | 3,399 |
| Repairs and maintenance | 14,777 | 6,258 |
| Depreciation | 1,195 | 1,179 |
| Cleaning (contractors, materials) | 5,828 | 5,630 |
| Waste collection and landfill | 1,577 | 826 |
| Payroll fees (governance) | 645 | 591 |
| Telephone, postage, stationery and advertising | 3,967 | 3,815 |
| Computer software and support | 3,548 | 979 |
| Travel and subsistence | 5,586 | 2,226 |
| Bookkeeping | 3,603 | 7,525 |
| | <u>128,163</u> | <u>107,040</u> |

In 2022 and 2021, all of the support and governance costs were met from unrestricted funds.

9. STAFF COSTS

| | 2022 £ | 2021 £ |
|--|----------------|----------------|
| Wages and salaries | 168,055 | 162,403 |
| Social security costs | 5,849 | 5,359 |
| Contribution to defined contribution pension schemes | 8,635 | 10,713 |
| | <u>182,539</u> | <u>178,475</u> |

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9. STAFF COSTS (CONTINUED)

The average number of persons employed by the Charity during the year was as follows:

| | 2022 No. | 2021 No. |
|----------------------|---------------------|---------------------|
| Nursery staff | 8 | 9 |
| Administrative staff | 2 | 2 |
| | <u>10</u> | <u>11</u> |

The average headcount expressed as full-time equivalents was:

| | 2022 No. | 2021 No. |
|----------------------|---------------------|---------------------|
| Nursery staff | 6 | 4 |
| Administrative staff | 1 | 1 |
| | <u>7</u> | <u>5</u> |

No employee received remuneration amounting to more than £60,000 in either year.

The key management personnel of the charity comprise the Trustees and the Principal and Deputy Principal. The Trustees all give their time and expertise without any kind of remuneration or other benefit in kind (2021: £Nil).

During the year, no Trustees received any reimbursement of expenses or had expenses paid directly to a third party on their behalf (2021 - £NIL).

The total employment benefits of key management personnel including pension contributions and employers' national insurance was £69,219 (2021: £72,081).

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**NOTES TO THE FINANCIAL STATEMENTS
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10. TANGIBLE FIXED ASSETS

| | Leasehold property £ | Fixtures and fittings £ | Total £ |
|--------------------------|----------------------------|-------------------------------|------------|
| COST OR VALUATION | | | |
| At 1 September 2021 | 19,342 | 13,693 | 33,035 |
| At 31 August 2022 | 19,342 | 13,693 | 33,035 |
| DEPRECIATION | | | |
| At 1 September 2021 | 16,024 | 10,610 | 26,634 |
| Charge for the year | 674 | 521 | 1,195 |
| At 31 August 2022 | 16,698 | 11,131 | 27,829 |
| NET BOOK VALUE | | | |
| At 31 August 2022 | 2,644 | 2,562 | 5,206 |
| At 31 August 2021 | 3,318 | 3,083 | 6,401 |

11. DEBTORS

| | 2022 £ | 2021 £ |
|--------------------------------|-----------|-----------|
| Trade debtors | 36,718 | 36,966 |
| Other debtors | - | 37 |
| Prepayments and accrued income | 3,972 | 2,148 |
| | 40,690 | 39,151 |

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**NOTES TO THE FINANCIAL STATEMENTS
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12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2022 £ | 2021 £ |
|--|----------------|---------------|
| Trade creditors | 5,920 | 1,727 |
| Other taxation and social security | 702 | - |
| Other creditors (including deposits) | 18,922 | 17,402 |
| Accruals and deferred income | 92,202 | 56,239 |
| | <u>117,746</u> | <u>75,368</u> |
| | 2022 £ | 2021 £ |
| Deferred income at 1 September 2021 | 51,777 | 38,471 |
| Resources deferred during the year | 84,488 | 51,777 |
| Amounts released from previous periods | (51,777) | (38,471) |
| | <u>84,488</u> | <u>51,777</u> |

Deferred income 2021 and 2022 relates to nursery school fees received in advance for the Autumn term.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**

13. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

| | Balance at 1 September 2021 £ | Income £ | Expenditure £ | Balance at 31 August 2022 £ |
|---------------------------------|--|-----------------------|-------------------------|--------------------------------------|
| UNRESTRICTED FUNDS | | | | |
| DESIGNATED FUNDS | | | | |
| Children's fund | 1,722 | - | - | 1,722 |
| Maintenance fund | 321 | - | - | 321 |
| Building improvement fund | 75,346 | - | - | 75,346 |
| Contractual commitments | 50,000 | - | - | 50,000 |
| Hardship fund | 10,228 | - | - | 10,228 |
| | <u>137,617</u> | <u>-</u> | <u>-</u> | <u>137,617</u> |
| GENERAL FUNDS | | | | |
| General Funds | <u>62,283</u> | <u>253,453</u> | <u>(254,464)</u> | <u>61,272</u> |
| TOTAL UNRESTRICTED FUNDS | <u>199,900</u> | <u>253,453</u> | <u>(254,464)</u> | <u>198,889</u> |
| RESTRICTED FUNDS | | | | |
| Training fund | 3,254 | 1,650 | (4,904) | - |
| Fruit fund | - | 63 | (63) | - |
| Decoration | - | 1,200 | (1,200) | - |
| | <u>3,254</u> | <u>2,913</u> | <u>(6,167)</u> | <u>-</u> |
| TOTAL OF FUNDS | <u><u>203,154</u></u> | <u><u>256,366</u></u> | <u><u>(260,631)</u></u> | <u><u>198,889</u></u> |

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022

13. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

| | Balance at 1 September 2020 £ | Income £ | Expenditure £ | Balance at 31 August 2021 £ |
|---------------------------------|--|-----------------------|-------------------------|--------------------------------------|
| UNRESTRICTED FUNDS | | | | |
| DESIGNATED FUNDS | | | | |
| Children's fund | 2,973 | - | (1,251) | 1,722 |
| Maintenance fund | 321 | - | - | 321 |
| Building improvement fund | 77,000 | - | (1,654) | 75,346 |
| Contractual commitments | 50,000 | - | - | 50,000 |
| Hardship fund | 11,182 | - | (954) | 10,228 |
| | <u>141,476</u> | <u>-</u> | <u>(3,859)</u> | <u>137,617</u> |
| GENERAL FUNDS | | | | |
| General Funds | <u>43,426</u> | <u>257,038</u> | <u>(238,181)</u> | <u>62,283</u> |
| TOTAL UNRESTRICTED FUNDS | <u>184,902</u> | <u>257,038</u> | <u>(242,040)</u> | <u>199,900</u> |
| RESTRICTED FUNDS | | | | |
| Training fund | <u>3,254</u> | <u>1,650</u> | <u>(1,650)</u> | <u>3,254</u> |
| TOTAL OF FUNDS | <u><u>188,156</u></u> | <u><u>258,688</u></u> | <u><u>(243,690)</u></u> | <u><u>203,154</u></u> |

THE MILLINGTON ROAD NURSERY SCHOOL TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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13. STATEMENT OF FUNDS (CONTINUED)

Purpose of funds:

The designated funds represent sums set aside by the Trustees for the following purposes:

- Children's fund. To purchase goods and services that will directly benefit the Nursery children
- Maintenance of the Nursery School premises
- To provide for future building improvements
- To cover for notice on contractual commitments including lease, employment and supplies
- To provide one-off support to parents in financial difficulty

The Training fund is a restricted fund to be spent on staff training costs.

The Fruit fund is a restricted fund for the purchase of fruit and snacks.

The Decoration fund is a restricted fund for decoration of the nursery.

Where expenditure from a designated or restricted fund exceeds the sum of the balance brought forward and the income recognised, transfers are made from the General Fund (unrestricted) to cover the excess.

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

| | Unrestricted funds 2022 £ | Total funds 2022 £ |
|-------------------------------|--|---------------------------------------|
| Tangible fixed assets | 5,206 | 5,206 |
| Current assets | 311,429 | 311,429 |
| Creditors due within one year | (117,746) | (117,746) |
| TOTAL | 198,889 | 198,889 |

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NOTES TO THE FINANCIAL STATEMENTS
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14. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

| | Restricted funds 2021 £ | Unrestricted funds 2021 £ | Total funds 2021 £ |
|-------------------------------|----------------------------------|------------------------------------|-----------------------------|
| Tangible fixed assets | - | 6,401 | 6,401 |
| Current assets | 3,254 | 268,867 | 272,121 |
| Creditors due within one year | - | (75,368) | (75,368) |
| TOTAL | 3,254 | 199,900 | 203,154 |

15. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme for certain employees. The Pension cost charged to the Statement of Financial Activities during the year was £8,635 (2021: £10,713). At the balance sheet date there were outstanding contributions totalling £666 (2021: £3,172)

16. OPERATING LEASE COMMITMENTS

At 31 August 2022 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | 2022 £ | 2021 £ |
|--|---------------|----------------|
| Not later than 1 year | 18,000 | 18,000 |
| Later than 1 year and not later than 5 years | 69,830 | 72,000 |
| Later than 5 years | - | 33,830 |
| | 87,830 | 123,830 |

The following lease payments have been recognised as an expense in the Statement of Financial Activities:

| | 2022 £ | 2021 £ |
|-------------------------|-----------|-----------|
| Operating lease rentals | 18,000 | 18,000 |

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NOTES TO THE FINANCIAL STATEMENTS
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17. RELATED PARTY TRANSACTIONS

There were no related party transactions during the current or prior year.