

Educare Small School Limited
Directors' Report and Unaudited Financial Statements
For the year ended 31st July 2023

Company Registration Number 3183775
Charity Registration Number 1058897

Educare Small School Limited

Legal and administrative information

Reference and Administrative Details of the Charity, its Trustees and Advisers

Directors and Trustees

K Smith
E Steintal
S Tinton
W Steintal
W Holmes [Appointed April 2023]
J Waller [resigned Sept 2022]
A Athayde [Appointed Oct 2022]

Secretary

E Steintal

Company Number

3183775

Charity Number

1058897

Headmistress

Mrs. E Steintal

Registered Office

12 Cowleaze Road
Kingston upon Thames
Surrey
KT2 6DZ

Business Address

2 Albany Park Road
Kingston upon Thames
Surrey
KT2 5SW

Reporting Accountants

David Howard
1 Park Road
Hampton Wick
Kingston upon Thames
Surrey
KT1 4AS

Bankers

National Westminster Bank Plc
5 Market Place
Kingston upon Thames
Surrey
KT1 1JX

Educare Small School Limited

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Educare Small School Limited

Trustees' Report (Including Directors' Report) For the year ended 31 July 2023

The Trustees are pleased to present their annual report and financial statements for the year ended 31 July 2023.

The financial statements comply with the charity's Memorandum of Association, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), (effective 1 January 2019).

Objectives and Activities

The object and principal activity of the charity is to advance education by:

- a) The provision of a school for children between the ages of 3 and 11 inclusive;
- b) The provision of adult education classes and
- c) The provision of facilities for the daily care, recreation and education of children during out-of-school hours and school holidays.
- d) The company enjoys rent free occupation of the school premises which are owned by Mrs E Steinthal, (a Director and Trustee of the school) and members of her family.

The Trustees have had regard to the Charity Commission's guidance on Public Benefit and consider the school makes a valuable contribution to the local community both as to the very low level of fees and subsidized services for both children and adults. All of which are designed to meet the wider community benefit whilst meeting the objectives established for the charity.

Achievements and Performance

The twenty sixth full academic year 2022-2023 started with 42 pupils. The staff team was made up of 4 teaching staff and 4 teaching assistants, plus a music teacher and an Alexander Technique teacher. The year ended with 4 teaching staff and 3 teaching assistants, Elizabeth Steinthal remained as Head Teacher supported by four senior teachers.

At the end of the academic year 2022- 2023 8 children made a successful transition to secondary school, 5 to local schools and 3 to independent schools outside of Kingston.

Over the year the four senior teachers in the team managed more and more of the day to day business of the school with the support of Elizabeth Steinthal. This proved to be a successful arrangement and it was agreed to develop the team to take over complete management of Educare in the future. The trustees agreed a long term plan to add a part time bursar to cover the financial aspects of management in the next financial year.

The usual activities took place over the year- outside visits, celebrations, fundraising, etc. More attention was put on marketing the school as numbers had fallen to 32 at the end of July 2023 and although prospective parents were visiting we needed new pupils in the Kindergarten which had very few pupils joining over the whole year. The school website was revamped and an Instagram page was created. Two new additions to the board of trustees also brought benefits and fresh ideas

All of these activities left us in a satisfactory position to start the next school year.

Financial Review

The Surplus/ (deficit) in the year on the unrestricted account this year was £13,405 - 2022 (£13,877) - fees were increased during this period, expenditure is carefully monitored each month. The school's cash flow

Educare Small School Limited

Trustees' Report (Including Directors' Report) For the year ended 31 July 2023

remains sound. The Trustees are satisfied that the school should continue to generate surpluses from normal operations in the foreseeable future. In the 2022/23 school financial year, as said fees were increased in Sept 2023, along with some cost increases the school is now operating at a small surplus. But with strong reserves and all Trustees are aware, the focus in 2023/2024 is to increase pupil numbers and review all costs on a regular basis. In the 3-month period to October 2023 the operating performance shows a surplus of approx. £12k. With Income averaging £22.8k per month albeit no direct school costs were incurred in Aug. 2023. But some heavy expenditure expected, over the coming months on general repairs to the building a break even result is forecast at the end of the current financial year.

Unrestricted Reserves

At July 31, 2023 unrestricted reserves amounted to £149,099 (2022 £135,694) It is the intention of the Trustees to operate the school so that it will generate a small surplus each year which, built up over time, should be sufficient to meet any significant maintenance expenditures. Cash Flow is continuously reviewed to ensure that there are always available funds to cover working capital needs. Currently the school does not need to have in place any overdraft facilities due to its sound day to day cash resources.

Plans for Future Periods

The continuing population growth in the Royal Borough of Kingston puts pressure on early years and primary education places and this appears to continue to be the case for the next few years.

Structure, Governance and Management

The charity is constituted as a charitable company limited by guarantee and is governed by a memorandum and articles of association.

School Organization

The day to day operations are managed by the Head teacher, Mrs. E Steinthal. Given the size of the school the Trustees meet three times a year with additional meetings as circumstances dictate. At these meetings all aspects of the school's performance are discussed and in particular any decisions regarding support for parents in financial difficulties are made by the Trustees. Parents and Friends of the School do give freely of their time and this is most appreciated. Since September 2010 Mrs. E Steinthal has been a volunteer rather than a salaried employee. Educare provides after school care and various extra-curricular activities for both children and adults which are open to the public, the pandemic and lockdown procedures have prevented much of these activities.

Risk Assessment

The Trustees have made an annual review of the principle risks facing the school and have concluded that all foreseeable risks are being handled appropriately either by obtaining insurance cover for them or by ensuring that controls are in place which will mitigate their impact.

Educare Small School Limited

**Trustees' Report (Including Directors' Report)
For the year ended 31 July 2023**

Directors and Trustees

All the Directors of the company are also Trustees of the charity Trustees retire by rotation and new appointments are made by ordinary resolutions at general meetings. The directors and Trustees who served during the year are as stated below.

K Smith
E Steinthal
S Tinton
W Steinthal
W Holmes (Appointed April 2023)
J Waller (Resigned Sept 2022)
A Athayde (Appointed Oct 2022)

Statement of Trustees responsibilities

The Trustees, who are also the directors of Educare Small School Limited for the purpose 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).

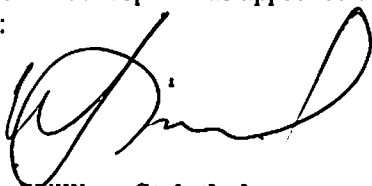
Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the company and of the surplus or deficit of the company for that year. In preparing these the directors are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees/ directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In the preparation of this report the directors have taken advantage of the exemptions applicable to small companies as conferred by Part 15 of the Companies Act 2006.

The annual report was approved by the Trustees of the charity on 27/03/24 and signed on its behalf by:



Mr. William Steinthal
Trustee

Date: March 2024

Educare Small School Limited

Independent Examiner's report to the directors

On the unaudited financial statements of Educare Small School Limited

I report on the financial statements of Educare Small School Limited for the year ended 31st July 2023 set out on pages 5 to 11.

Respective responsibilities of the directors and examiner

The Trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The charity's Trustees consider that an audit is not required for this year under Part 16 of The Companies Act 2006, section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act; and
- To state whether particular matters have come to my attention.

Independent examiner's statement

Since the company'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, 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 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 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



Siobhan Glenister, ACA

**5 The Square
Bagshot
Surrey
GU19 5AX**

Dated: 27-03-2024

Educare Small School Limited

**Statement of Financial Activities (including Income & Expenditure Account)
For the year ended 31 July 2023**

		2023	2023	2023	2022
	Notes	£	£	£	£
		Unrestricted Funds	Restricted Funds	Total Funds	Total
Income:					
Donations/ Fund Raising		8,359	-	8,359	5,293
Grant income		-	12,000	12,000	-
Investment income		1,524	-	1,524	62
Sundry Income		-	-	-	2,100
Income from charitable activities					
Fee income (Less Provisions)		273,211	-	273,211	249,520
After school care		2,751	-	2,751	360
Provision of premises	1.8	30,000	-	30,000	30,000
Total incoming resources	1.6	315,845	12,000	327,845	287,335
Expenditure:					
Expenditure on Charitable Activities					
Teaching costs		218,135	12,000	230,135	229,782
After-school care		-	-	-	420
Premises	1.8	67,812	-	67,812	52,701
General operating expenses		7,303	-	7,303	7,337
Governance costs		9,190	-	9,190	10,972
Bad Debt Provision		-	-	-	-
Total Expenditure	1.7	302,440	12,000	314,440	301,212
Net income/(expenditure) for the year		13,405	-	13,405	(13,877)
Reconciliation of funds					
Total Funds brought forward at 1 August 2022		135,694	-	135,694	149,571
Total Funds carried forward at at 31 July 2023		149,099	-	149,099	135,694

The results for the year derive from the review of continuing activities and there are no gains or losses other than those shown above.

Educare Small School Limited**Balance Sheet
As at 31st July 2023**

		2023		2022	
	Notes	£	£	£	£
Fixed Assets					
Plant & Equipment	6	2,657		5,108	
Total Fixed Assets			2,657		5,108
Current Assets					
Debtors	7	8,296		12,114	
Cash at bank and in hand		192,193		160,835	
		<u>200,489</u>		<u>172,949</u>	
Creditors: amounts falling due within one year	8	<u>(54,047)</u>		<u>(42,363)</u>	
Net Current Assets/(Liabilities)			<u>146,442</u>		<u>130,586</u>
Total Assets Less Current Liabilities			<u>149,099</u>		<u>135,694</u>
Capital and Reserves					
Restricted funds	9		-		-
Unrestricted fund			149,099		135,694
Funds			<u>149,099</u>		<u>135,694</u>

The directors' statements required by the Companies Act 2006 are shown on the following page which forms part of this Balance Sheet.

Directors' statements required by the Companies Act 2006
For the year ended 31st July 2023

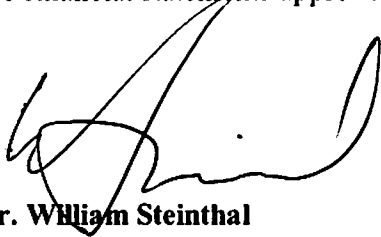
In approving these financial statements as directors of the company we hereby confirm:

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 July 2023. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements.

The Trustees acknowledge their responsibilities for ensuring that the charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

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

The financial statements approved by the Board and signed on its behalf by



Mr. William Steintal
Trustee
Date 27 March 2024

Company Registration Number 3183775
Charity Registration Number 1058897

1. Accounting Policies

Charity information

Educare Small School Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 12 Cowleaze Road, Kingston Upon Thames, Surrey, KT2 6DZ.

1.1. Accounting convention

The financial statements have been prepared in accordance with 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) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The charity is a Public Benefit Entity as defined by FRS 102. Assets and liabilities are initially recognized at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The Charity has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2. Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3. Income

Income represents the amount receivable for the provision of educational services during the year.

Income from donations is received by way of donations, fundraising and gifts and is included in full in the Statement of Financial Activities when receivable.

Investment income represents interest received from bank and building societies.

1.4. Pensions

Teachers employed by Educare Small School Limited may be members of the Teachers Pension Scheme, administered by the Teachers Pension Agency. All other staff are included within the workplace pension scheme. It provides teachers with defined benefits upon their retirement, and Educare Small School Limited contributes towards the costs by making contributions based on a percentage of members' pensionable salaries. In 2022/23 the charity paid £9,113 (2021/2022 £15,878). The scheme is unfunded being administered on a 'pay as you go' basis by the Exchequer.

Although the scheme is unfunded, the TPA uses a notional fund as a basis for calculating the employer's contribution rate paid by Educare Small School Limited. However, it is not possible for the TPA to identify the charity's share of the underlying liabilities in the scheme attributable to their employees.

For the purpose of the Accounts, the scheme is therefore accounted for as a defined contribution scheme, and the liabilities are not included within Educare Small School Limited balances.

1.5. Deferred taxation

In view of the charitable status, the company has no liability for taxation.

1.6. Incoming resources

Fees paid are recognized in the financial statements in the year in which the related course will take place. Donations are recognized at the time of receipt. Donated facilities, that would normally have to be paid for, are recognized based on the value of their contribution to the charity (see note 1.7).

1.7. Resources expended

Resources expended are recognized in the year in which they are incurred. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

1.8. Donated facilities

As stated in the Trustees' Report, the charity is provided with rent-free occupation of the school premises. The Trustees' estimated value of this benefit, of £30,000 (2022 - £30,000), is based on the rental value as advised by commercial property consultants with regard to similar properties. This value is recognized in the financial statements within incoming resources, and an equivalent charge is included within premises costs.

1.9. Fixed Assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

2. Operating Surplus

Operating surplus is stated after charging:

	2023 £	2022 £
Reporting accountants fees	1,800	1,800
	<u>1,800</u>	<u>1,800</u>

3. Employees *

	2023 £	2022 £
Employment costs	157,723	167,448
Social security	10,648	10,427
Other pension	9,113	15,878
	<u>177,484</u>	<u>193,753</u>

The average number of employees during the year is 6.
No employees are paid in excess of £50,000.

Educare Small School Limited

Notes to the Financial Statements As at 31st July 2023

4. Trustees' emoluments

No Trustees received remuneration or reimbursement for expenses.

5. Pension costs

Contributions are made to an approved pension provider (Teachers Pensions) under a defined contribution scheme, and (Nest) to cover the scheme under Workplace Pensions.

6. Fixed Assets	Plant £	Computer £	Total Asset £
Opening Balance 01/08/2022	3,378	1,730	7,324
Additions in the period	-	-	1,704
Depreciation Charged	(1,704)	(747)	(6,371)
Net asset Value 31/07/2023	<u>1,674</u>	<u>983</u>	<u>2,657</u>

Asset purchased in the period relates to plant and equipment only.

7. Debtors

	2023 £	2022 £
Trade debtors	3,262	4,423
Bad Debt Provision	(1,500)	-
Prepayments and accrued income	6,534	7,691
	<u>8,296</u>	<u>12,114</u>

8. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade Creditors	3,205	3,567
Payments received on account	-	-
Fee and registration deposits	19,400	24,562
PAYE, other taxes and social security	2,916	2,695
General fund raising and nursery grants	15,103	8,771
Accruals and deferred income	13,423	2,768
	<u>54,047</u>	<u>42,363</u>

9. Funds	Unrestricted Funds	Restricted Funds	Total
	£	£	£
At 1st August 2023	135,694	-	135,694
Income	315,845	12,000	327,845
Expenditure	(302,440)	(12,000)	(314,440)
At 31st July 2023	<u>149,099</u>	<u>-</u>	<u>149,099</u>

Unrestricted funds are the balance of funds available for the general use of the charity.

Sufficient funds are held, in an appropriate form, to enable each fund to be applied in accordance with any restrictions.

Restricted funds: The restricted fund was in relation to the grant income received from the local authority for the provision of childcare nursery places in the school and the corresponding spending is on teaching costs.

10. Analysis of net assets between funds

	Unrestricted Funds	Restricted Funds	Total
	£	£	£
Fixed Assets	2,657	-	2,657
Debtors	8,296	-	8,296
Cash at bank and in hand	192,193	-	192,193
Current liabilities	(66,047)	-	(66,047)
	<u>137,099</u>	<u>-</u>	<u>137,099</u>

11. Limited liability

The company is limited by guarantee and does not have a share capital. Each member undertakes to contribute up to £1 in the event of the company being wound up towards payment of debts incurred while he is a member.

The requirements of the Charities Acts do not allow the distribution of a surplus on winding up to the members. Any such surplus must with the authority of the Charity Commissioners be paid either to another approved registered charity or to the Charity Commission.

12. Related Party Transactions

In accordance with the Charities SORP (FRS 102), there are no related party transactions which require disclosure.