

Company registration number 2412455 (England and Wales)

St George's Community Children's Project Limited



DIRECTORS' REPORT AND AUDITED FINANCIAL STATEMENTS

for the year ended

31 AUGUST 2020



ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

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ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2020

The directors, who are also trustees for the purposes of the Charities Act 2011, present their annual report and the audited financial statements of the charitable company for the year ended 31 August 2020. This directors' report, prepared in accordance with Section 415 of the Companies Act 2006, is also the trustees' report required by the Charities Act 2011.

The trustees confirm that the annual report and financial statements of the charity comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" - (Charities SORP (FRS 102)).

Reference and Administrative Information

COMPANY NUMBER 2412455 (registered in England)

CHARITY REGISTRATION 802017
NUMBER

REGISTERED OFFICE AND 7 Chilston Road
PRINCIPAL Tunbridge Wells
ADDRESS Kent
 TN4 9LP

INDEPENDENT AUDITORS Lindeyer Francis Ferguson Limited
 Chartered Accountants
 North House
 198 High Street
 Tonbridge
 Kent TN9 1BE

BANKERS	National Westminster Bank plc	CAF Bank Ltd
	89 Mount Pleasant Road Tunbridge Wells Kent TN1 1PX	25 Kings Hill Avenue, Kings Hill, West Malling, Kent ME19 4JQ

DIRECTORS

Adrian Crouch (Chair)
Laura Gueran (Treasurer)
Ingrid Bussell
Jason Fisher
Hayley Ford (appointed 26 September 2019)
Lindsey Grant
Julie Hughes (appointed 2 January 2020)
Richard Leon (resigned 26 February 2020)
James Lowell (appointed 26 September 2019)
Cenydd Milne
Pauline Parker
Steven Whittle

BUSINESS MANAGER Morgane Glew

Structure, Governance and Management

Company Status

St George's Community Children's Project Limited is a charitable company limited by guarantee and has no share capital. In the event of a winding up, each member and those that have ceased being a member within the previous twelve months, are limited to a liability of £1. The company was incorporated on 10 August 1989 and is governed by its Memorandum and Articles of Association.

Governance

The Board of Directors is responsible for selecting and recruiting suitable directors to office at the Annual General Meeting. The maximum number of directors that may be elected to the board is twelve and the minimum is three. Twelve directors served in office during the year.

The directors may from time to time appoint any member of the company as a director, either to fill a casual vacancy or by way of addition to the Board, provided that the prescribed maximum number of directors is not exceeded. Any member so appointed shall retain office until the next Annual General Meeting and is then eligible for re-election.

Induction of directors

Individuals who are interested in becoming directors are invited to join a meeting where they are introduced to all the other members. They are asked to submit a CV and to complete the necessary forms for clearance through the Disclosure and Barring Service (DBS).

Each new director is given a Charity Commission booklet explaining directors' responsibilities and dates of available training relating to directors' responsibilities. Copies of the previous 12 month's meeting minutes are supplied, together with a pack containing the history of St George's, a list and CV of other directors, a copy of the charity's Memorandum and Articles of Association, and the latest accounts from the preceding month. The charity's website and the prospectus are available to all new members to gain more information about the management and services of the charity.

Organisational Structure

The management of the charity is run by the Executive Committee, which consists of the serving directors and the Business Manager. The Board of Directors meet monthly with the Business Manager where any issues or escalations are raised for discussion and resolution.

The Executive Committee oversee the rest of the administrative team which comprises three Childcare Managers, a Deputy Childcare manager, a Finance Manager, a Fundraising Manager, an Office Manager and an Administrative Assistant/Receptionist.

The remuneration of the charity's key management personnel is decided by the directors based on performance and achievement of agreed objectives for the year. It is communicated by the Chair after discussion with the Business Manager and the other directors.

Objectives and Activities

The overall aim of St George's is to provide a high standard of childcare for the local community.

This encompasses:

- the promotion of the mental, physical and spiritual wellbeing of children and young people, especially those in poor circumstances, those suffering from disability and incapacity of any kind and those who are deprived; and
- the relief of children in need of care and protection by the provision of day care facilities and facilities for such children outside of school hours and during school holidays.

The nursery offers three categories of activity:

- A full day care Nursery comprised of five areas namely Squirrels (babies – 1.5 years), Hedgehogs (1.5 -2 years), Moles (2-3 years), and Badgers and Otters (3-5 years);
- Little Dragons term time only preschool play group; and
- An Out of Hours facility incorporating After School Club for children aged between 4 and 12 and Holiday Clubs.

These activities are run from the charity's freehold property at 7 Chilston Road, Tunbridge Wells.

The childcare service is offered to all sections of the community irrespective of ethnic, social and cultural differences and thereby encourages children to mix with and respect one another. In order to accomplish this, St George's uses social media, word of mouth and sometimes marketing advertisements placed in targeted local publications.

When providing assisted childcare places St George's aims to also give consideration to (and in no order of preference):-

1. Children who have a parent suffering from either mental or physical disability.
2. Children who have been referred to St George's through another agency.
3. Children from families who are experiencing financial hardship.
4. Children from families experiencing emotional/stressful circumstances temporarily or long-term.
5. Children whose social or intellectual development is known to be delayed.
6. Children from homes where there is inadequate play space.

In order to do this the charity offers subsidised places for childcare services. Special consideration is given to individual families as and when the need arises within all areas of the childcare. The Executive Committee reviews the number of assisted places offered each year and the Childcare managers review them on a case by case basis every 6 months. Subsidised places are made possible through the charity's programme of fundraising.

In order to meet the overall aim of providing high quality childcare St George's has categorised its aims in five ways:

Community links

- to provide access to all visitors to view our services and facilities.
- to open or join communication links with other agencies.
- to share information and experiences with other agencies.
- to open or join communication links with statutory agencies.

Health and Safety

- to provide optimum standards of Health and Safety for all individuals involved at St George's.
- to have sufficient expertise amongst the staff to cope with the minor medical problems of children. and to deal confidently with emergency situations.
- to be aware of the nutritional requirements of the growing child and how these needs can be met.

Childcare facilities

- to provide a good quality day care nursery service for children from babies to five years old.
- to provide a good quality term time only preschool for children from two and a half years to school age.
- to provide good quality Out of School Clubs for school children up to twelve years old.
- to provide subsidised places for disadvantaged children as predetermined.
- to provide a combination of excellent day care, after school and holiday care that can provide a continuous service from babies to twelve years old.

Family support

- to provide a secure and caring environment in which parents will feel confident to leave their child.
- to offer a team of professional staff who are available for confidential discussion of each individual child's needs.
- to maximise fundraising potential in order to provide subsidised places.
- to offer advice and support for parents of children with special needs.
- to offer opportunities for parental involvement in social, board management and fundraising activities.

Media

- to promote a positive image of St George's and the excellent child care it offers through social media such as our website, our Facebook, Instagram and Twitter page.

St George's short-term aims are:

- Develop/refurbish the 'Den' space to make it more usable and inviting so it can be used as an extra class room in all weathers.
- Make sure St George's has sufficient subsidised places.
- Achieve the forecasted fundraising objective.

- Deliver consistent outcomes for all children across the setting.
- Creatively develop each child's potential.
- Deliver a personal learning and development plan for each staff member that achieves best practice within their roles.
- Review pay scales and benefits package to maintain competitive advantage.
- Involve our teams in the delivery of our plan.
- Maintain an operational budget.
- Mitigate and control risk.
- Maintain our operational assets (equipment, resources and property).
- Develop a plan for an investment surplus.
- Develop innovative solutions across the setting.
- Develop a community network to raise the profile of St George's.
- Ensure our charity offering is relevant based on existing and changing local needs.

St George's long-term aims are:

- Maintain our 'Outstanding' OFSTED rating.
- Maintain or increase the occupancy.
- Retain staff by making sure our training and benefits package is competitive.
- Provide a clear pipeline and personal development plan for staff from apprentices to fully qualified childcare professionals.
- Consistently deliver outstanding childcare.
- Continue to develop and motivate our highly skilled team who are passionate working for St Georges.
- Deliver a surplus in order to maintain required working capital, to ensure funds are available in the event of unbudgeted expenditure and to reinvest into the setting.
- Successfully expand our provision and create an innovative childcare setting.
- Maximise opportunities to support our community.

The Executive Committee measures its success in a number of ways, but there a number of key indicators as follows:

- The Occupancy rates within each activity. A 5-month forecast is prepared monthly, which is reviewed by the board and the Business Manager.
- The number of assisted places it has been able to offer to parents who need support.
- Results of OFSTED inspections. We are governed by OFSTED and follow the Early Years Foundation Stage (EYFS); the government framework that sets standards for care and learning in the early years.
- Feedback from parents or carers. Childcare managers meet with social workers and health visitors, and regularly organise interviews with family members so that the childcare managers can be informed about the behaviour of their children and how their life is improving.
- Retention of permanent staff members.
- Monthly analysis of our management accounts for budget tracking purposes.

In setting the objectives and planning the activities of St George's the directors have given careful consideration to the Charity Commission's general guidance on public benefit and to its supplementary public benefit guidance on advancing education and on fee charging.

Review of achievements

During the year, St George's experienced partial closure during the lockdown following the Corona virus outbreak from 23/03/2020 to 01/06/2020, which had an impact on the running of the nursery for the 2019/20 year. We consequently had to furlough the majority of our staff and open for up to 12 children of keyworkers. We estimated a loss of approximately £40,000 between April and August 2020. No staff were made redundant and everyone kept their job, due to use of the 'Job Retention Scheme' and the reduction of spend throughout the setting which reduced our costs. We also put in place a Covid Risk Assessment (available for both parents and staff) and an internal Action Plan to ensure Health and Safety at St George's during the Covid pandemic.

At the beginning of 2020, St George's started a major refurbishment project to develop two new rooms in the rear extension building which was previously let to a tenant. The aim of this development was to create two new nursery groups and increase the number of places available from 90 to 118 in order to respond to the local demand for nursery spaces. The project was completed on the 23rd March 2020 but we were not able to open the rooms as the nation went into lockdown on the same day. The total cost of the work came to £174K including architects and structural engineers' fees, building work, new equipment for the rooms. After completion of the work and reopening of St George's after the lockdown, St George's now has 118 places divided as follow:

- Squirrels (3 months – 1.5 years) = 18
- Hedgehogs (1.5-2 years) = 12
- Moles (2-3 years) = 28
- Badgers (3-5 years) = 18
- Otters (3-5 years) = 18
- Little dragons (2.5-5 years Term time only) = 24
- After school club (5-11 years Term time only) = 24
- Holiday club (5-11 years Half term only) = 24

The last OFSTED inspection was in November 2019 and the St George's received an outstanding rating which shows the quality of childcare provided in the setting.

Children

Overall the setting achieves on average 62% (2019: 89%) occupancy across the entire nursery. This downfall is explained by the partial closure of the setting between April and June during the national lockdown.

Nursery

The nursery is showing signs of recovery with occupancy rates going up from September 2020. Occupancy rates for the year were 60% (2019: 80%). Also, now with the increased number of places available due to the creation of new rooms we can accommodate an increase in occupancy throughout St George's.

Little Dragons

The Little Dragons continue to hold two sessions or a full longer day session from 9.00am until 3.00pm term time only. Occupancy rates for the year were 57% (2019: 87%).

After School Club

The club has been consistently well occupied until the start of the lockdown when all schools shut and did not reopen until September 2020. Occupancy rates for the year were 54% (2019: 92%). The mini-bus continued to collect children from Claremont, St James's, St John's, St Augustine's and St Peter's Schools until the start of the lockdown on 23/03/2020 but has not be in use since as in order to maintain 'bubbles', only children from St John's schools have been able to come to the After School Club and have been walking as the school is walking distance from St George's. This will remain the case until further notice as we are following government guidance on schools' bubbles and the maximum of 15 children per group for out of school groups.

The children are still fed from the marvellous kitchen and then have the opportunity to play both in and out of the building.

Holiday Club

The Holiday Clubs continue to be very popular during the year with sessions being taken up very quickly until the start of the lockdown. We have seen a slow recovery in numbers due to the restriction of 15 children maximum per holiday club groups. Occupancy rates for the year were 41% (2019: 90%).

During the year, results of interviews and questionnaires with parents were positive and showed the difference that St George's makes to children and their families. Communication, observations, activities, catering, building and gardening improvements and fundraising awareness were a few areas that were highlighted.

At the centre of the service, is the Senior Childcare Leader who is a highly experienced and qualified childcare professional, supported by Keyworkers who complete planning and next steps for the children including observations and assessments. iConnect, an interactive tool, is used by the setting and parents. This enables the Key Person to create an Online Journal which parents can read and contribute to, to document the children's progress. Besides observations on learning and progress, the journal will include things like photos and videos. This investment has enabled better sharing of information and feedback on each child which has helped develop consistent care both at nursery and at home.

Staff

We have been very successful in recruiting and retaining talented staff through our practises and staff benefits. Our staff are bright, caring individuals who are a credit to the St George's team. In addition, they are mostly either qualified or working towards a qualification. A total of 4 staff either qualified or gained higher qualification this year. The management team continues to work with each employee with a view to be a great place to work as well as a fantastic childcare establishment. This includes ensuring all staff receive the necessary training, have supervision meetings every 6-8 weeks and a yearly appraisal where their personal development plan and objectives are reviewed. The appraisal process did not happen this year due to lockdown as most staff were on furlough leave so it has been moved to February/March 2021.

Staff benefits package include: 3 months maternity leave, discount on childcare fees, holiday given between Christmas and New Year, pension and access to over 200 exclusive perks and discounts (discounted cinema tickets, money off meals out, reduced membership fees, free flu jab, free uniforms etc.).

Fundraising and assisted places

Although St George's runs a full time Nursery, term time only preschool, Afterschool and Holiday Club, it also undertakes significant fundraising activities with the objective of being able to provide subsidised places for children in need.

The 2019/20 year saw St George's provide 11 children with such subsidised places, which represented 553 sessions at a cost of £10,435 for the year.

St George's overachieved its fundraising targets in 2019/20 (102.2%), mainly due to the generous grants and donations we have received.

Due to the Coronavirus lockdown and restrictions, most of our fundraising events had to be cancelled this year (Golf day, Summer Fair, Dinner Dance, Sports days) and we were only able to hold our Christmas Fair.

St George's would like to thank the following individuals, grant bodies and organisations who have supported the charity during the year with significant fundraising activities and donations:

- £5,000 from David Friday fund.
- £10,000 from Colyer Ferguson.
- £4,000 from The Lawson Trust.
- £3,000 from Kent Community Foundation.
- £1,000 from ML UK Ltd.
- £1000 from Whitehead Monkton.
- £1,000 from Pandora Frost's fundraising.
- £990 from St Thomas Parochial Church.
- £632 from an anonymous donor.

The setting is sincerely grateful to each and every individual, company, club, church, trust and group that has donated or volunteered their services. Without this help, St George's could not hope to help as many children as it does.

In addition, St George's continues to be involved with The Mayor's Toy Appeal, helping a large number of children each year to enjoy a better Christmas.

The majority of St George's fundraising income is obtained through grant and trust applications and the support from those in our community. We do not carry out any fundraising activities where a professional fundraising agency is paid or where external fundraisers are acting on our behalf. Any fundraising activities that are undertaken are done so voluntarily and under the guidance of the Fundraising and Development Manager wherever possible.

Building

The building is close to 200 years old and, as such, requires a significant amount of work and upkeep to maintain a safe and comfortable environment as well as retain its appealing nature for children.

In order to ensure the setting provides a high standard for the children, a number of building works have taken place in the year:

- Project Expansion (refurbishment of the rear extension building over 2 floors).
- Boiler maintenance.
- Repair of the balcony at the rear of the building.

It is hoped that in the 2020/21 financial year, St George's will be able to secure some additional fundraising, so that it can undertake some significant improvements throughout the setting.

Pension

Staff who meet the legislative criteria now can opt in to pay 5% of their salary (2% prior to April 2019) to the People's Pension and 3%, which St George's pays. This is a great development and evidences the care and support St George's wishes to provide to the team.

Risk Management

The board review the risk register on a monthly basis and take appropriate actions where necessary. Currently, principal risks are considered to be:

- The board could benefit in relevant skills in HR, employment law etc.
- Key staff absence.
- GDPR Compliance.
- Business continuity and planning.
- Retention of staff.

- Building destruction by fire.
- Loss of IT equipment.
- Lockdown situation (building intrusion).
- Building maintenance.
- Public Perception.
- Running out of funding.
- Special diet compliance.
- Health and Safety.
- Loss of revenue following closure due to lockdown for pandemic.
- Exceptional building or grounds maintenance issues.
- Pandemic Illness.

The board and the Business Manager have identified these risks and put relevant measures in place to control them, for example, a recruitment plan for new board members, a review of the constitution, the creation of a continuity plan and cover plan for key staff, the appointment of a Data Protection Officer and lock down drills.

Financial Review

Income for the year was £1,102,092, a 2.07% increase on £1,079,706 in 2019. This is mainly due to the effect of the lockdown meaning the setting was closed, except for the children of keyworkers, from March. The total expenditure in the year was £1,127,544. This represents a 6.98% increase on the previous year of £1,053,993.

Each year a budget is prepared to show a breakeven position to ensure St George's covers its costs. Capital projects are either covered by specific fundraising campaigns or from reserves brought forward at the discretion of the directors.

After review of St George's operational and running costs and the decrease in revenue following the Covid 19 lockdown and restrictions for the past year, the Board felt it necessary to increase the fees with effect from 1 September 2020. Great thought was taken in keeping the increase as fair and as reasonable as possible and across each area, but whilst enabling St George's to raise funds to cover future improvements and renovations to the buildings and grounds.

Reserves

It is St George's policy to hold between £100,000 and £120,000 of free unrestricted reserves representing six weeks' expenditure. Reserves are held to maintain required working capital and to ensure funds are available in the event of unbudgeted expenditure. It is St George's policy to maintain a balanced budget each year.

The balance on total unrestricted funds at the year-end was £716,073 (2019: £751,989). Of this amount free unrestricted reserves (being unrestricted reserves excluding income funds only available on sale of fixed assets) at 31 August 2020 totalled £45,677 (2019: £249,367). This is below the charity's reserve policy, this has been caused by the loss in the year (due to the lockdown, partial closure of the setting and subsequent occupancy) and also the expenditure on fixed assets (extension project mainly). St George's plans to rebuild the reserves this year by increasing the fees and occupancy following the creation of new rooms and therefore more childcare places.

St George's had designated funds of £134,567 (2019: £138,967). This comprises the building fund which represents a grant from the National Lottery that was used to purchase the freehold land and building. The fund is reduced each year in equal amounts and transferred to the general fund in line with the rate of depreciation charged on the freehold building.

The level of restricted funds at the year end which are not available for the general purposes of the charity are £14,177 (2019: £3,713). This represents specific grants and donations towards equipment of £4,007 and also funds for assisted places of £10,170.

Plans for future periods

The Board and Business Manager have plans to develop further St George's presence in the community by liaising more directly with local companies and business with a view to seeking corporate sponsorship and presence and also raise the profile of St George's, so the community knows what the Charity does.

There are also ongoing plans for improvements to the buildings and grounds of St George's with the view to keep the setting in the best condition possible for years to come:

- Improvements and enhancements to the gardens and children's rooms.
- Refurbishment of the garden 'Den' to modernise the existing space and make it more usable and inviting in all weather.
- Rear extension building's roof repair.
- Water system upgrade.
- Exterior repainting of building.
- Redecorating of various rooms.
- Kitchen upgrade (layout and floor).

Statement of Trustees' Responsibilities

The trustees are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with the United Kingdom

Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 surplus or deficit of the charitable company for that period. In preparing those 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 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 charitable company will continue in business.

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.

Statement of disclosure to auditors

So far as each trustee is aware, there is no relevant audit information (information needed by the charity's auditors in connection with preparing their report) of which the charity's auditors are unaware. Each trustee has taken all the steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Small Company Exemptions

This report has been prepared in accordance with the provisions applicable to companies subject to the small companies regime in Part 15 of the Companies Act 2006.

By Order of the Board

Adrian Crouch
Chair

Dated: 30 November 2020

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

FOR THE YEAR ENDED 31 AUGUST 2020

Opinion

We have audited the financial statements of St George's Community Children's Project Limited (the 'charitable company') for the year ended 31 August 2020 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2020 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

FOR THE YEAR ENDED 31 AUGUST 2020

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustee were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement set out on pages 11 - 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

FOR THE YEAR ENDED 31 AUGUST 2020

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and, the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Amy Healey FCA CTA DChA
Senior Statutory Auditor

For and on behalf of:
Lindeyer Francis Ferguson Limited
Statutory Auditors
Chartered Accountants

Date: 28 January 2021

North House
198 High Street
Tonbridge
Kent TN9 1BE

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	<i>Unrestricted Funds 2020</i> £	<i>Restricted Funds 2020</i> £	<i>Total Funds 2020</i> £	<i>Total Funds 2019</i> £
Income from:					
Donations	3	152,063	21,596	173,659	16,330
Charitable activities	4	916,467	-	916,467	1,035,585
Other trading activities	5	11,665	91	11,756	27,649
Investments		210	-	210	142
Total income		1,080,405	21,687	1,102,092	1,079,706
Expenditure on:					
Raising funds	6	21,411	-	21,411	33,976
Charitable activities	7	1,094,910	11,223	1,106,133	1,020,017
Total expenditure		1,116,321	11,223	1,127,544	1,053,993
Net (expenditure) / income and movement in funds		(35,916)	10,464	(25,452)	25,713
Reconciliation of funds:					
Total funds brought forward		751,989	3,713	755,702	729,989
Total funds carried forward	15	716,073	14,177	730,250	755,702

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

BALANCE SHEET
AS AT 31 AUGUST 2020

	Notes	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Tangible assets	11		670,396		502,622
Current assets					
Debtors	12	43,622		40,893	
Cash at bank and in hand		159,989		369,149	
		<u>203,611</u>		<u>410,042</u>	
Creditors: amounts falling due within one year	13	<u>(143,757)</u>		<u>(152,812)</u>	
Net current assets			59,854		257,230
Creditors: amounts falling due after more than one year	14		-		(4,150)
Net assets			<u>730,250</u>		<u>755,702</u>
Funds					
Unrestricted funds			716,073		751,989
Restricted funds			14,177		3,713
	15		<u>730,250</u>		<u>755,702</u>

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies.

The financial statements were approved by the Board of Trustees on 30 November 2020 and were signed on its behalf by:

Adrian Crouch
Chair

Company number: 2412455

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 AUGUST 2020

	Notes	2020 £	2019 £
Cash flows from operating activities:			
Net cash (used in) / provided by operating activities	A	(20,178)	82,919
Cash flows from investing activities:			
Purchase of tangible assets		(184,832)	(16,497)
Sale of tangible assets		-	2,500
Net cash used in investing activities		(184,832)	(13,997)
Cash flows from financing activities:			
Loan repayments		(4,150)	(4,150)
Net cash used in financing activities		(4,150)	(4,150)
Change in cash and cash equivalents for the year		(209,160)	64,772
Cash and cash equivalents at the beginning of the year		369,149	304,377
Cash and cash equivalents at the end of the year		159,989	369,149
A Reconciliation of net (expenditure) / income to net cash flow from operating activities			
Net (expenditure) / income for the year <i>As per Statement of Financial Activities</i>		(25,452)	25,713
Adjustments for:			
Depreciation		17,058	13,120
Profit on disposal of tangible fixed assets		-	(1,642)
(Increase) / decrease in debtors		(2,729)	3,643
(Decrease) / increase in creditors		(9,055)	42,085
Net cash (used in) / provided by operating activities		(20,178)	82,919

1 STATUS

St George's Community Children's Project Limited is a charitable company incorporated in England and Wales. It is limited by guarantee and has no share capital. In the event of a winding up, each member and those that have ceased being a member within the previous twelve months, are limited to a liability of £1. The address of the registered office is 7 Chilston Road, Tunbridge Wells, Kent, TN4 9LP.

2 ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

2.1 Basis of preparation

The financial statements have been prepared under the historical cost convention 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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

St George's Community Children's Project Limited meets the definition of a public benefit entity under FRS 102 as it aims to provide a high standard of childcare for the local community.

There are no material uncertainties about the charity's ability to continue, and so the going concern basis of accounting has been adopted.

The financial statements are prepared in pounds sterling, which is the functional currency of the charity, and rounded to the nearest £1.

2.2 Incoming resources

All incoming resources are included on the Statement of Financial Activities when the charity is legally entitled to the income, the receipt is probable and the amount can be quantified with reasonable accuracy. For donations this is usually on receipt. For grants this is usually when a formal offer is made in writing, unless the grant contains terms and conditions outside of the charity's control, which must be met before the charity is entitled to the funds.

Incoming resources from charitable activities have been analysed by the three activities undertaken by the charity, namely Nursery, After School Club / Holiday Club, and Little Dragons. The income is recognised to the extent that the charity has provided contracted services.

Fees received in advance or income to which the charitable company is not yet entitled is accounted for as deferred income.

Fundraising income is recognised when the event takes place. Rental income is recognised in the period to which it relates.

2 ACCOUNTING POLICIES (continued)

2.2 Incoming resources continued

The charitable company is not registered for VAT.

2.3 Resources expended

Liabilities, and related expenditure, are recognised when a present legal or constructive obligation exists at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and the amount can be measured or estimated reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category and includes irrecoverable VAT.

Direct costs have been charged to the activity to which they relate. Support costs and direct costs not relating to one activity in particular have been allocated to the three activities undertaken by the charity on the basis of the direct staff costs attributable to each activity. Governance costs include those costs directly associated with the general running of the charity, as opposed to the direct management functions inherent in generating funds and service delivery and are included in support costs.

2.4 Taxation

The charitable company is exempt from corporation tax on its charitable activities.

2.5 Fund accounting

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

Designated funds are unrestricted funds which the trustees have designated to be used for a particular purpose.

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

2 ACCOUNTING POLICIES (continued)

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised above £1,000 and are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated realisable value of each asset over its expected useful life, as follows:

Freehold land and buildings	2% straight line on freehold buildings only
Fixtures, fittings and equipment	25% straight line

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

2.7 Financial instruments

The charity's basic financial instruments are initially recognised at transaction value and subsequently measured at amortised cost.

The charity has opted to recognise concessionary loans at the amount received, with adjustments in subsequent periods for repayments made.

2.8 Pension scheme

The charity operates a defined contribution pension scheme for its employees. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost represents contributions payable by the charity to the fund. The pension expense is recognised across activities on the same basis as all other expenditure.

2.9 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3 DONATIONS

	2020 £	2019 £
Grants and donations	173,659	16,330

In the prior year the Charity received £7,850 in restricted grants and donations.

4 INCOME FROM CHARITABLE ACTIVITIES - 2020

	<i>Nursery</i> £	<i>After school & Holiday</i> £	<i>Little Dragons</i> £	2020 £
Fees receivable	701,179	84,019	131,269	916,467

INCOME FROM CHARITABLE ACTIVITIES - 2019

	<i>Nursery</i> £	<i>After school & Holiday</i> £	<i>Little Dragons</i> £	2019 £
Fees receivable	798,506	131,962	105,117	1,035,585

5 OTHER TRADING ACTIVITIES

	2020 £	2019 £
Fundraising activities	11,756	12,333
Rent receivable	-	15,316
	11,756	27,649

In the prior year the Charity received £1,593 restricted income from other trading activities.

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

6 COSTS OF RAISING FUNDS

	2020 £	2019 £
Fundraising costs	2,904	5,677
Staff costs (Note 9)	18,507	28,299
	<u>21,411</u>	<u>33,976</u>

7 COSTS OF CHARITABLE ACTIVITIES - 2020

	<i>Nursery</i> £	<i>After school & Holiday Clubs</i> £	<i>Little Dragons</i> £	2020 £
Direct costs:				
Staff costs (Note 9)	676,861	39,799	63,838	780,498
Other direct costs	56,620	3,527	5,367	65,514
	<u>733,481</u>	<u>43,326</u>	<u>69,205</u>	<u>846,012</u>
Allocated support costs (Note 8)	226,175	13,032	20,914	260,121
Total costs	<u>959,656</u>	<u>56,358</u>	<u>90,119</u>	<u>1,106,133</u>

COSTS OF CHARITABLE ACTIVITIES - 2019

	<i>Nursery</i> £	<i>After school & Holiday Clubs</i> £	<i>Little Dragons</i> £	2019 £
Direct costs:				
Staff costs (Note 9)	598,679	31,861	48,150	678,690
Other direct costs	66,805	6,373	7,392	80,570
	<u>665,484</u>	<u>38,234</u>	<u>55,542</u>	<u>759,260</u>
Allocated support costs (Note 8)	230,170	12,438	18,149	260,757
Total costs	<u>895,654</u>	<u>50,672</u>	<u>73,691</u>	<u>1,020,017</u>

In the prior year, the charity spent £18,917 from restricted funds in relation to its charitable activities.

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8 SUPPORT COSTS

	2020	2019
	£	£
Staff costs (Note 9)	118,163	119,078
Administrative expenses	24,697	28,468
Premises costs	79,378	83,591
Depreciation	17,058	13,120
Profit on disposal of tangible fixed assets	-	(1,642)
<i>Governance:</i>		
Audit fees	7,680	7,380
Accountancy and payroll fees	7,190	4,091
Legal and professional fees	5,955	6,671
	<u>260,121</u>	<u>260,757</u>

9 STAFF COSTS

	2020	2019
	No.	No.
The average number of employees during the year, by headcount, was:		
Nursery	44	39
After School Club and Holiday Club	8	8
Little Dragons	7	6
Administration	14	14
	<u>73</u>	<u>67</u>

Employment costs:

	2020	2019
	£	£
Gross salaries	845,255	765,245
Employer's National Insurance	44,482	40,432
Pension costs	18,416	14,300
Staff recruitment	9,015	6,090
	<u>917,168</u>	<u>826,067</u>

There are no employees with emoluments above £60,000 (2019: None).

One trustee was remunerated £7,032 in her role as Nursery Staff during the year (2019: £6,707).

There were no other trustee's remuneration or other benefits in the current or prior period. No trustees (2019: one) were reimbursed during the year for expenses (2019: 120 - fundraising activity).

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

10	NET INCOME		2020	2019
			£	£
	Net income is stated after charging:			
	Audit fees		7,680	7,380
	Depreciation		17,058	13,120
	Operating lease payments		13,877	12,969
			<u> </u>	<u> </u>
11	TANGIBLE FIXED ASSETS			
		<i>Land and buildings</i>	<i>Fixtures & Equipment</i>	<i>Total</i>
		£	£	£
	Cost			
	At 1 September 2019	648,897	54,398	703,295
	Additions	163,248	21,584	184,832
		<u> </u>	<u> </u>	<u> </u>
	At 31 August 2020	812,145	75,982	888,127
		<u> </u>	<u> </u>	<u> </u>
	Depreciation			
	At 1 September 2019	153,817	46,856	200,673
	Charge for the year	10,429	6,629	17,058
		<u> </u>	<u> </u>	<u> </u>
	At 31 August 2020	164,246	53,485	217,731
		<u> </u>	<u> </u>	<u> </u>
	Net book value			
	At 31 August 2020	<u>647,899</u>	<u>22,497</u>	<u>670,396</u>
		<u> </u>	<u> </u>	<u> </u>
	At 31 August 2019	<u>495,080</u>	<u>7,542</u>	<u>502,622</u>
		<u> </u>	<u> </u>	<u> </u>
	Included in land and buildings above is the cost of freehold land of £189,626 (2019: £189,626) which is not being depreciated.			
12	DEBTORS		2020	2019
			£	£
	Trade debtors		25,815	27,689
	Prepayments and accrued income		17,807	13,204
			<u> </u>	<u> </u>
			<u>43,622</u>	<u>40,893</u>
			<u> </u>	<u> </u>

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2020 £	2019 £
Other loan	4,150	4,150
Trade creditors	10,808	12,703
Taxes and social security costs	11,680	7,586
Other creditors	3,841	3,686
Deferred income	-	31,364
Accruals and deposits	113,278	93,323
	<u>143,757</u>	<u>152,812</u>
Deferred income		
Income deferred from the previous year	31,364	1,339
Released to the statement of financial activities	(31,364)	(1,339)
<i>Arising during the current year:</i>		
KCC grant	-	31,364
	<u>-</u>	<u>31,364</u>
14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	2020 £	2019 £
Other loan	-	4,150
	<u>-</u>	<u>4,150</u>
Analysis of loans:		
Wholly repayable within five years by instalments	4,150	8,300
Included in creditors: amounts falling due within one year	(4,150)	(4,150)
	<u>-</u>	<u>4,150</u>
Loan maturity analysis		
Due between one and two years	-	4,150
	<u>-</u>	<u>4,150</u>

The amount of £4,150 (2019: £8,300) shown as other loans is a concessionary loan from Tunbridge Wells Borough Council. There is a legal charge dated 30 March 2001 held over the property for this loan. The loan is interest free and is being repaid in annual instalments of £4,150.

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15 MOVEMENT ON FUNDS

<i>Current year</i>	<i>At 1 Sept 2019</i>	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Transfer</i>	<i>At 31 Aug 2020</i>
	£	£	£	£	£
Unrestricted funds					
General fund	613,022	1,080,405	(1,111,921)	-	581,506
Designated funds					
Building fund	138,967	-	(4,400)	-	134,567
	<u>751,989</u>	<u>1,080,405</u>	<u>(1,116,321)</u>	<u>-</u>	<u>716,073</u>
Restricted funds					
Assisted places fund	-	20,605	(10,435)	-	10,170
Equipment fund	3,713	1,082	(788)	-	4,007
	<u>3,713</u>	<u>21,687</u>	<u>(11,223)</u>	<u>-</u>	<u>14,177</u>
Total funds	<u>755,702</u>	<u>1,102,092</u>	<u>(1,127,544)</u>	<u>-</u>	<u>730,250</u>
<i>Prior year</i>	<i>At 1 Sept 2018</i>	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Transfer</i>	<i>At 31 Aug 2019</i>
	£	£	£	£	£
Unrestricted funds					
General fund	583,399	1,070,263	(1,030,676)	(9,964)	613,022
Designated funds					
Building fund	143,367	-	(4,400)	-	138,967
	<u>726,766</u>	<u>1,070,263</u>	<u>(1,035,076)</u>	<u>(9,964)</u>	<u>751,989</u>
Restricted funds					
Assisted places fund	-	7,000	(16,964)	9,964	-
Equipment fund	3,223	2,443	(1,953)	-	3,713
	<u>3,223</u>	<u>9,443</u>	<u>(18,917)</u>	<u>9,964</u>	<u>3,713</u>
Total funds	<u>729,989</u>	<u>1,079,706</u>	<u>(1,053,993)</u>	<u>-</u>	<u>755,702</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

15 MOVEMENT ON FUNDS (continued)

Building fund

The building fund represents a lottery grant which was set aside by the trustees and utilised to purchase the freehold premises. Part of the depreciation charge is charged to the building fund each year.

Assisted places fund

The assisted places funds represents grants and donations received that were either restricted to, or have been allocated to, the provision of subsidised places.

Equipment fund

This fund represents specific grants and donations received for the purchase of equipment and/or toys.

16 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	<i>Unrestricted funds 2020 £</i>	<i>Restricted funds 2020 £</i>	<i>Total funds 2020 £</i>
Current year			
Tangible fixed assets	670,396	-	670,396
Net current assets	45,677	14,177	59,854
	<u>716,073</u>	<u>14,177</u>	<u>730,250</u>
Prior year			
Tangible fixed assets	502,622	-	502,622
Net current assets	253,517	3,713	257,230
Long term liabilities	(4,150)	-	(4,150)
	<u>751,989</u>	<u>3,713</u>	<u>755,702</u>

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

17 OPERATING LEASE COMMITMENTS

At 31 August 2020, the charitable company is committed to future minimum lease payments under non-cancellable operating leases as follows:

	2020	2019
	£	£
Due not later than one year	10,041	13,877
Due later than one year but not later than five years	16,715	24,538
	<u>26,756</u>	<u>38,415</u>

18 RELATED PARTY TRANSACTIONS

Tersus group is considered to be a related party on the basis that one of its directors is a close family relation of a trustee. During the year Tersus Group charged the charity £138,934 (2019: £Nil) for the nursery expansion project. As at the balance sheet date £3,632 (2019: £Nil) outstanding.

The charity's key management personnel for the year ended 31 August 2020 are considered to be the Trustees and the Business Manager. Total emoluments, including employer's pension contributions and employer's NIC, paid in respect of key management personnel were £50,967 (2019: £47,912).