

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 2022



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 2022

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 2022. 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) (Resigned 23/03/2022)
Ingrid Bussell (Resigned on 03/11/2021)
Jason Fisher
Hayley Ford (Resigned 28/03/2022)
Lindsey Grant
Julie Hughes
James Lowell (Resigned 25/01/2022)
Cenydd Milne
Pauline Parker
Steven Whittle
Anna Youngson

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. In order to recruit new trustees, the board advertise on Do.it.org, the website and do posts on social media. 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 Staff Development Lead, 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 group (2.5-5 years); and
- An Out of Hours facility incorporating After School Club for primary school children up to year 6 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 if they need to be extended, in which case a form is sent to the family and criteria are assessed once again, for example; where does the referral comes from, housing and employment situation, benefits being received, child special educational needs, detailed circumstances etc. 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 primary school children up to year 6.
- 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 up to year 6.

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 childcare it offers through social media such as our website, our Facebook, and our Instagram page.

St George's short-term aims are:

- 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 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.
- Yearly parents and staff survey

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 a very good level of occupancy, going back to pre-Covid levels. This meant that we had to recruit more staff.

In the Autumn 2021, we replaced the old heating system with a more modern energy and cost-efficient system.

In Spring 2022, The staff room was refurbished with a new décor and furniture. The aim was to give staff a relaxing and calm space to unwind during their breaks.

During the Summer, our largely unused outbuilding 'the Den' was refurbished, and a new roof was installed, the aim of this upgrade was to transform the old space into a warm multi-functional room what all groups of children could enjoy at any time. Music and Yoga sessions will take place there and our new Interactive table, purchased in August will be placed here for all to use. A new wooden shelter was installed in the playground to create shade from the sun and shelter from the rain, so children can enjoy the outdoors whatever the weather. The walls of the rear extension building were also rendered, painted and had its roof replaced with the aim to weatherproof it and insulate it better to ensure energy saving. Following a fire safety audit, two fire doors were replaced in the building to comply with fire safety regulations.

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

Nursery

The nursery occupancy rates were good from September 2021. Occupancy rates for the year were 88.6% (2021: 71%).

Little Dragons

The Little Dragons' occupancy rates for the year were 83% (2021: 72%). Although occupancy increased within the group, our income declined as we had fewer two-year-old children for which we charge more than for children over 3 years old.

After School Club

The club has been consistently well occupied with occupancy rates for the year of 84 % (2021: 41%) due to the reopening of the schools after last year's lockdowns.

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 has seen good numbers with occupancy rates for the year of 81% (2021: 43%) due to the reopening of businesses and the schools after last year's lockdowns.

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. Results showed that 98% of parents are happy with the setting, which we are very proud about. Communication, catering, building, and gardening improvements and 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, this tool 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

Recruitment within the sector has been challenging but we have been 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 1 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. During the summer a Staff Development Lead was appointed to support and oversee the training required by the childcare staff. The appraisal process was done in February and March 2022 and was followed by a PayScale exercise and pay increase in April 2022.

Staff benefits package include: 3 months' fully paid 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, funded training, Cycle to work scheme 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 2021/22 year saw St George's provide 21 children with such subsidised places, at a cost of £20,789 for the year.

St George's overachieved its fundraising targets in 2021/22 (123%), mainly due to the generous grants and donations we have received and our very successful Christmas and Summer fairs.

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:

- £1,000 from Kent Community Foundation.
- £5,000 from Colyer Fergusson Charitable Trust
- £2,390 from Kent Community Foundation.
- £3,000 from Kent Community Foundation.
- £5,000 from Kent Community Foundation.
- £1,250 from The Whitehead Monkton Charitable Foundation

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:

- Den refurbishment and new roof
- New heating system
- Wooden shelter
- Rendering and painting of the rear extension building
- New roof on the rear extension building
- New fire doors
- Staff room refurbishment

It is hoped that in the 2022/23 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 are automatically opted in to the People's Pension and can pay 5% of their salary (2% prior to April 2019) with St George's paying 3%. Staff can then opt out of pension payments if they do not wish to utilise it.

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.
- Building security

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 and the reinforcement of the building's security.

Financial Review

Income for the year was £1,639,953, a 18% increase on £1,386,693 in 2021, this is explained by the increase in occupancy following our 'Project Expansion' which saw St George's go from 90 places to 118 and the increase in the demand for nursery places in our area due to people moving down from London to Tunbridge Wells after the lockdowns. The total expenditure in the year was £1,415,483. This represents an 18% increase on the

previous year of £1,202,746, this is due to the general food cost increase and the increase in occupancy meaning more children to care for and feed and also to the need to recruit more staff to look after these new children.

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 uncertainty 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 2021. 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. No further increases in fees were agreed for the year ended 31 August 2022.

Reserves

It is St George's policy to hold around £170,000 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 £1,134,617 (2021: £908,998). Of this amount free unrestricted reserves (being unrestricted reserves excluding funds only available on sale of fixed assets) at 31 August 2022 totalled £446,595 (2021: £252,234). This was due to the increase in the fees and occupancy following the creation of new rooms and therefore more childcare places. The demand for childcare places also increased due to the number of families moving from London into Tunbridge Wells. We have planned various building and outdoor improvements in the next year which will use some of the additional reserves held.

St George's had designated funds of £125,767 (2021: £130,167). 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 £4,050 (2021: £5,199). This represents specific grants and donations towards equipment of £3,736 and also funds for assisted places of £314.

St George's started to accept payments from 'Enjoy Benefit' which is a benefit that employers can offer their employees who have children in our setting. It is a benefit that is there to help employees with the cost of childcare at a nursery setting, by allowing them to save tax and NI on their full monthly fees. In return, St George's gets a donation of £100 per month per child to be spent on activities or resources beneficial to their child and the nursery. This financial year we received £200 from Enjoy Benefits.

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 businesses 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 garden/playground
- Lobby door repairs
- Window repairs and replacement
- Exterior repainting of building
- Roof repairs
- New toilets and cubicles
- Redecorating of various rooms
- Improved CCTV

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

Each of the persons who are Trustees at the time when this Trustees' annual report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company'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: 28 November 2022

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

FOR THE YEAR ENDED 31 AUGUST 2022

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 2022 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 2022 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 2022

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 page 11, 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 2022

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We obtained an understanding of the legal and regulatory framework applying to the charitable company and the procedures that management adopt to ensure compliance, and have considered the extent to which non-compliance might have a material effect on the financial statements, and in particular we identified: the Companies Act 2006, the Charities Act 2011 and Charities SORP FRS102.

We have also identified other laws and regulations that do not have a direct effect on the amounts or disclosures within the financial statements, but for which compliance is fundamental to the charity's operations and to avoid material penalties, including Employment law, Health and Safety Law, General Data Protection Regulation and regulations relating to safeguarding children with the key legislature being the Children and Social Work Act 2017.

Having reviewed the laws and regulations applicable to the charity, we designed and performed audit procedures to obtain sufficient appropriate audit evidence. Specifically we:

- Assigned an engagement team to the audit with particular familiarity in dealing with charity and not-for-profit organisations.
- Obtained and reviewed internal policies and procedures and external guidance.
- Reviewed external assessments in relation to the provision of nursery i.e., OFSTED.
- Ensured DBS checks were in place for a sample of staff.
- Made enquiries of the Board of Trustees, reviewed meeting minutes, and reviewed reported incidents and accidents during the year.
- Reviewed the completeness and accuracy of associated disclosures made in the financial statements.

We assessed the susceptibility of the charity's financial statements to material misstatement and fraud, and in doing so we:

- Assessed the systems and controls in place, and whether any weaknesses were identified which could suggest or allow fraud.
- Considered how fraud might occur, and considered whether management have incentives and opportunities to manipulate the financial results (including overriding controls).
- Evaluated management's assessment of risk of fraud and whether they are aware of any actual or suspected fraud.
- Identified key risks of fraud as revenue recognition and cut-off, cost allocations, the completeness of creditors and management override of controls.

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

FOR THE YEAR ENDED 31 AUGUST 2022

- Designed and performed audit procedures to obtain sufficient appropriate audit evidence including reviewing journals, challenging assumptions and accounting estimates, and performing substantive testing on income.

The audit has been planned and performed in such a way as to best identify risks of material misstatement, however the inherent limitations of audit procedures means that there remains a risk that material misstatements may not be identified. In particular we are aware of the inherent difficulties in detecting irregularities, and irregularities that result from fraud may be more difficult to detect than irregularities that result from error, due for example, to override of controls, collusion or misrepresentations. In addition, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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: 6 December 2022

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 2022

	Notes	<i>Unrestricted Funds 2022</i> £	<i>Restricted Funds 2022</i> £	<i>Total Funds 2022</i> £	<i>Total Funds 2021</i> £
Income from:					
Donations	3	20,335	19,640	39,975	51,126
Charitable activities	4	1,586,297	-	1,586,297	1,324,841
Other trading activities	5	3,898	9,704	13,602	10,495
Investments		79	-	79	231
Total income		1,610,609	29,344	1,639,953	1,386,693
Expenditure on:					
Raising funds	6	22,187	-	22,187	22,139
Charitable activities	7	1,371,842	21,454	1,393,296	1,180,607
Total expenditure		1,394,029	21,454	1,415,483	1,202,746
Net income		216,580	7,890	224,470	183,947
Transfers between funds		9,039	(9,039)	-	-
Net movement in funds		225,619	(1,149)	224,470	183,947
Reconciliation of funds:					
Total funds brought forward		908,998	5,199	914,197	730,250
Total funds carried forward	14	1,134,617	4,050	1,138,667	914,197

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

BALANCE SHEET
AS AT 31 AUGUST 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	11		688,022		656,764
Current assets					
Debtors	12	47,671		55,289	
Cash at bank and in hand		571,368		394,434	
		<u>619,039</u>		<u>449,723</u>	
Creditors: amounts falling due within one year	13	(168,394)		(192,290)	
Net current assets			450,645		257,433
Net assets			<u>1,138,667</u>		<u>914,197</u>
Funds					
Unrestricted funds			1,134,617		908,998
Restricted funds			4,050		5,199
	14		<u>1,138,667</u>		<u>914,197</u>

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

The financial statements were approved by the Board of Trustees on 28 November 2022 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 2022

	Notes	2022 £	2021 £
Cash flows from operating activities:			
Net cash provided by operating activities	A	234,752	251,433
Cash flows from investing activities:			
Purchase of tangible assets		(57,818)	(12,838)
Net cash used in investing activities		(57,818)	(12,838)
Cash flows from financing activities:			
Loan repayments		-	(4,150)
Net cash used in financing activities		-	(4,150)
Change in cash and cash equivalents for the year		176,934	234,445
Cash and cash equivalents at the beginning of the year		394,434	159,989
Cash and cash equivalents at the end of the year		571,368	394,434
A Reconciliation of net income to net cash flow from operating activities			
Net income for the year		224,470	183,947
<i>As per Statement of Financial Activities</i>			
Adjustments for:			
Depreciation		26,560	26,470
Decrease / (Increase) in debtors		7,618	(11,667)
(Decrease) / increase in creditors		(23,896)	52,683
Net cash provided by operating activities		234,752	251,433

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 2019) - (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.

2 ACCOUNTING POLICIES (continued)

2.2 Incoming resources continued

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

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:

Buildings main fabric & structure	Over 50 years
Roofs	Over 40 years
Windows	Over 20 years
Bathrooms	Over 10 years
Heating systems	Over 20 years
Kitchens	Over 20 years
Fixtures, fittings and equipment	Over 4 years

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 2022

3 DONATIONS

	2022 £	2021 £
Grants and donations	<u>39,975</u>	<u>51,126</u>

In the prior year the Charity received £10,800 in restricted grants and donations.

4 INCOME FROM CHARITABLE ACTIVITIES - 2022

	<i>Nursery</i> £	<i>After school & Holiday</i> £	<i>Little Dragons</i> £	<i>Total</i> £
Fees receivable	<u>1,338,332</u>	<u>132,002</u>	<u>115,963</u>	<u>1,586,297</u>

INCOME FROM CHARITABLE ACTIVITIES - 2021

	<i>Nursery</i> £	<i>After school & Holiday</i> £	<i>Little Dragons</i> £	<i>Total</i> £
Fees receivable	<u>1,128,538</u>	<u>60,505</u>	<u>135,798</u>	<u>1,324,841</u>

5 OTHER TRADING ACTIVITIES

	2022 £	2021 £
Fundraising activities	<u>13,602</u>	<u>10,495</u>
	<u>13,602</u>	<u>10,495</u>

In the prior year the Charity received £2,089 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 2022

6 COSTS OF RAISING FUNDS

	2022 £	2021 £
Fundraising costs	10,531	2,505
Staff costs (Note 9)	11,656	19,634
	<u>22,187</u>	<u>22,139</u>

7 COSTS OF CHARITABLE ACTIVITIES - 2022

	<i>Nursery</i> £	<i>After school & Holiday Clubs</i> £	<i>Little Dragons</i> £	<i>Total</i> £
Direct costs:				
Staff costs (Note 9)	799,572	43,350	67,870	910,792
Other direct costs	117,133	4,706	7,950	129,789
	<u>916,705</u>	<u>48,056</u>	<u>75,820</u>	<u>1,040,581</u>
Allocated support costs (Note 8)	307,638	16,648	28,429	352,715
Total costs	<u>1,224,343</u>	<u>64,704</u>	<u>104,249</u>	<u>1,393,296</u>

COSTS OF CHARITABLE ACTIVITIES - 2021

	<i>Nursery</i> £	<i>After school & Holiday Clubs</i> £	<i>Little Dragons</i> £	<i>Total</i> £
Direct costs:				
Staff costs (Note 9)	748,051	24,780	73,582	846,413
Other direct costs	64,437	2,220	6,253	72,910
	<u>812,488</u>	<u>27,000</u>	<u>79,835</u>	<u>919,323</u>
Allocated support costs (Note 8)	231,733	7,577	21,974	261,284
Total costs	<u>1,044,221</u>	<u>34,577</u>	<u>101,809</u>	<u>1,180,607</u>

In the prior year, the charity spent £21,867 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 2022

8 SUPPORT COSTS

	2022	2021
	£	£
Staff costs (Note 9)	136,961	109,213
Administrative expenses	25,993	21,825
Premises costs	143,456	80,740
Depreciation	26,560	26,470
<i>Governance:</i>		
Audit fees	9,169	8,061
Accountancy and payroll fees	4,636	7,955
Legal and professional fees	5,940	7,020
	<u>352,715</u>	<u>261,284</u>

9 STAFF COSTS

	2022	2021
	No.	No.
The average number of employees during the year, by headcount, was:		
Nursery	45	40
After School Club and Holiday Club	5	6
Little Dragons	3	2
Administration	15	14
	<u>68</u>	<u>62</u>

Employment costs:

	2022	2021
	£	£
Gross salaries	954,534	897,847
Employer's National Insurance	53,925	53,208
Pension costs	21,828	19,958
Staff recruitment	12,039	4,247
Freelance and temporary staff	17,083	-
	<u>1,059,409</u>	<u>975,260</u>

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

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

9 STAFF COSTS (continued)

There are no employees with emoluments above £60,000 (2021: none).

One trustee, Pauline Parker, was remunerated £7,462 in her role as Nursery Staff during the year (2021: £7,127).

There were no other trustee's remuneration or other benefits in the current or prior period. No trustees (2021: none) were reimbursed during the year for expenses.

10	NET INCOME	2022	2021
		£	£
	Net income is stated after charging:		
	Audit fees	9,169	8,061
	Depreciation	26,560	26,470
	Operating lease payments	11,952	14,150
		<u> </u>	<u> </u>

11 TANGIBLE FIXED ASSETS

	<i>Land and buildings</i>	<i>Fixtures & Equipment</i>	<i>Total</i>
	£	£	£
Cost			
At 1 September 2021	805,533	82,432	887,965
Additions	42,112	15,706	57,818
Disposals	(24,000)	-	(24,000)
	<u> </u>	<u> </u>	<u> </u>
At 31 August 2022	823,645	98,138	921,783
	<u> </u>	<u> </u>	<u> </u>
Depreciation			
At 1 September 2021	168,528	62,673	231,201
Charge for the year	17,934	8,626	26,560
Eliminated on disposal	(24,000)	-	(24,000)
	<u> </u>	<u> </u>	<u> </u>
At 31 August 2022	162,462	71,299	233,761
	<u> </u>	<u> </u>	<u> </u>
Net book value			
At 31 August 2022	<u>661,183</u>	<u>26,839</u>	<u>688,022</u>
At 31 August 2021	<u>637,005</u>	<u>19,759</u>	<u>656,764</u>

Included in land and buildings above is the cost of freehold land of £189,626 (2021: £189,626) which is not depreciated.

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

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

12 DEBTORS	2022	2021
	£	£
Trade debtors	29,175	37,837
Prepayments and accrued income	18,496	17,452
	<u>47,671</u>	<u>55,289</u>
	<u><u>47,671</u></u>	<u><u>55,289</u></u>
13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2022	2021
	£	£
Trade creditors	22,847	9,913
Taxes and social security costs	13,662	10,373
Other creditors	18,491	4,447
Deferred income	10,565	66,023
Accruals and deposits	102,829	101,534
	<u>168,394</u>	<u>192,290</u>
	<u><u>168,394</u></u>	<u><u>192,290</u></u>
Deferred income		
Income deferred from the previous year	66,023	-
Released to the statement of financial activities	(66,023)	-
<i>Arising during the current year:</i>		
KCC grant	-	43,635
Nursery fees in advance	10,565	22,388
	<u>10,565</u>	<u>66,023</u>
	<u><u>10,565</u></u>	<u><u>66,023</u></u>

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

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

14 MOVEMENT ON FUNDS

<i>Current year</i>	<i>At 1 Sept 2021</i>	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Transfer</i>	<i>At 31 Aug 2022</i>
	£	£	£	£	£
Unrestricted funds					
General fund	778,831	1,610,609	(1,389,629)	9,039	1,008,850
Designated funds					
Building fund	130,167	-	(4,400)	-	125,767
	<u>908,998</u>	<u>1,610,609</u>	<u>(1,394,029)</u>	<u>9,039</u>	<u>1,134,617</u>
Restricted funds					
Assisted places fund	1,463	19,640	(20,789)	-	314
Equipment fund	3,736	9,704	(665)	(9,039)	3,736
	<u>5,199</u>	<u>29,344</u>	<u>(21,454)</u>	<u>(9,039)</u>	<u>4,050</u>
Total funds	<u>914,197</u>	<u>1,639,953</u>	<u>(1,415,483)</u>	<u>-</u>	<u>1,138,667</u>
<i>Prior year</i>	<i>At 1 Sept 2020</i>	<i>Incoming resources</i>	<i>Resources expended</i>	<i>Transfer</i>	<i>At 31 Aug 2021</i>
	£	£	£	£	£
Unrestricted funds					
General fund	581,506	1,373,804	(1,176,479)	-	778,831
Designated funds					
Building fund	134,567	-	(4,400)	-	130,167
	<u>716,073</u>	<u>1,373,804</u>	<u>(1,180,879)</u>	<u>-</u>	<u>908,998</u>
Restricted funds					
Assisted places fund	10,170	10,800	(19,507)	-	1,463
Equipment fund	4,007	2,089	(2,360)	-	3,736
	<u>14,177</u>	<u>12,889</u>	<u>(21,867)</u>	<u>-</u>	<u>5,199</u>
Total funds	<u>730,250</u>	<u>1,386,693</u>	<u>(1,202,746)</u>	<u>-</u>	<u>914,197</u>

ST GEORGE'S COMMUNITY CHILDREN'S PROJECT LIMITED

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

16 OPERATING LEASE COMMITMENTS

At 31 August 2022, the charitable company is committed to future minimum lease payments under non-cancellable operating leases as follows:

	2022	2021
	£	£
Due not later than one year	10,665	10,017
Due later than one year but not later than five years	23,681	9,552
	<u>34,346</u>	<u>19,569</u>

17 RELATED PARTY TRANSACTIONS

Tersus Consultancy Limited 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 Consultancy limited charged the charity £Nil (2021: £12,538) for the nursery expansion project.

The charity's key management personnel for the year ended 31 August 2022 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 £58,430 (2021: £52,766).