

2009

CANTERBURY ROAD SURE START CHILDCARE LIMITED

AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
March 31, 2009

Company no 04536406

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CANTERBURY ROAD SURE START CHILDCARE LIMITED

Legal and administrative details

Status	The organisation is a charitable company limited by guarantee, incorporated on 16 September 2002 and registered as a charity on August 2004
Governing document	The Company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.
Company Number	04536406
Charity Number	1104861
Registered Office	89 London Road Croydon Surrey CR0 2RF
Honorary Officers	
Trustees	Carol Addy (Chair person) Terrie Martyn Caroline N Rua (appointed December 11, 2008)
Secretary	Beverley Noble (resigned on October 22, 2008)
Treasurer	Michael Williams (appointed on December 11, 2008)
Bankers	HSBC plc 9 Wellesley Road Croydon Surrey CR9 2AA
Auditors	Palmer McCarthy Toronto House 49a South End Croydon CR9 1LT

Report of the Trustees

For the year ended 31 March 2009

Structure, Governance and Management

Governing Document

The organisation is a charitable company limited by guarantee incorporated on 16 September 2002 and registered as a charity on 13 July 2004. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1. The company is governed by the management committee who are volunteers and are listed on page 2 of these financial statements.

Recruitment and Appointment of the Management Committee

The directors of the Company are also charity trustees for the purpose of charity law and under the company's Articles are known as members of the management Committee. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General meeting.

Risk Management

The management Committee has conducted a review of the major risks to which the charity is exposed. A risk register has been established and is update at least annually. Where appropriate, systems or procedures have been established to mitigate the risk the charity faces. Significant external risks to funding have led to the development of a strategic plan which will allow for the diversification on of funding and activities. Internal control risks are minimised by the implementation of procedures for authorisation of all transactions and projects. Procedures are in place to ensure compliance with health and safety of staff, volunteers, client and visitors to the nursery centres. These procedures are periodically reviews to ensure that they continue to meet the need of the charity.

Organisation Structure

The Company has a management committee of up 4 members who meets quarterly and are responsible for the strategic direction and policy of the charity. At present the Committee has 4 members from a variety of background relevant to the work of the charity. The Secretary also sits on the Committee but has no voting rights.

The management of the company is delegated to its employees based at both nursery sites with assistance and strategic management being exercised from Broad Green Sure Start, an organisation supported by Croydon Council.

OBJECTIVES AND ACTIVITIES

The Company's objectives and principal activities are to

- provide Child Care services to families within the Broad Green area, in Croydon.
- work in partnership with Croydon Education (Early Years – who are now responsible for the development of Children's Centres this includes the Broad Green Sure Start Centres – which is part of a network of services in the area) and to whom have a 25 year commitment to CRSSC Limited.
- work with parents, parents to be and children to promote the physical, intellectual and social development of young children, particularly those experiencing social or economic deprivation. Relieve unemployment in such ways as may be thought fit, including providing assistance to find employment

The primary objective and activities for the year continued to focus upon the promotion of Child Care services. The strategies employed to assist the charity to meet this objective included:

- Providing a range of services, which are reflective if relevant quality standard, and areas, the potential problems relating to childcare.

Report of the Trustees

For the year ended 31 March 2009 (continued)

OBJECTIVES AND ACTIVITIES (continued)

- Working in partnership with other agencies to secure the widest range of services available that best matches the needs of its client population.
- The Canterbury Centre operates as a community-based Nursery since inception and its growth are funded to deliver family support services for parents. A Family Support drop in group runs sessions 4 days a week, and parents have access to the ICT suite, promoting literacy and IT skills, which meet the core requirements of the Children's Centre services.
- Provide quality and affordable childcare to working parents living in the Broad Green area, Croydon, supporting parents to access employment, and sustain employment.
- The Peppermint Children's Centre set up in 2005, at the Valley Park/Cherry Trees area, Croydon consists of a 23 place Nursery, a 16 place play group, and a Family Support Service. The Croydon education department service the management and operations of the centre.
- The transfer of TOCH (Community involvement & participation programme at Peppermint Centre) was completed in August 2008 and the services aimed at school aged and young people have proved to be effective and has sustained the community services within the area. There has been a financial challenge in taking over these services – but a balance has to be strived between local based community services which compliment the work of the children centre.
- The youth programme which was inoperative has now received funding from the Local Authority run two evening sessions per week.
- The Crosfield playgroup at the adjoining property to the Canterbury Centre has proved to be successful in terms of the transitions creating 44 places for pre-school children in the neighbourhood. For these children, English is their second language. Hence, we are to provide learning opportunities for these children aimed at developing their communication, language and bi-lingual skills, ensuring they are ready for reception class from an age of 4.
- Discussions have been held with Croydon Education - Early Years - with regards to the long term management of the children centres which are currently run by CRSSC Ltd.
- The initial ten year Sure Start funding strategy comes to an end in 2010 and beyond that time, the children centre components of the service run by CRSSC Ltd (Family Support) is likely to receive funding along the same budget arrangements as other children's centre's in Croydon.
- The funding of the Sure Start Local Programme Manager post will cease in March 2010. This post holder currently oversees the management of CRSSC Ltd for and on behalf of the executive committee and has co-ordinated all the services in the Broad Green area - two of these service are delivered by another voluntary organisation.
- The Early Years team have advised CRSSC to employ a Chief Executive and support staff to oversee the operation of the organisation.
- Discussions and costing are on going and CRSSC does not have excess to immediate funds to accommodate such a post holder - although it has been agreed by the executive committee that such a post holder is required to sustain the growth and operation within CRSSC.

ACHIEVEMENTS AND PERFORMANCE

The Nurseries have satisfied and matched all the criteria set by OFSTED, a regulatory body and London Borough of Croydon Council Early Years Inspection Team.

Measurable improvements have been evident within the Nursery setting and the Pre-school Staff Team have been supplemented by a teacher two days weekly as part of the Children's Centre Implementation Plan – ensuring the Nursery provides integrated care and education.

FINANCIAL REVIEW

The charity with the aid of sound financial management and the support of its staff and volunteers generated a deficit of £24,471 (2008: deficit £21,677).

PLANS FOR THE FUTURE

The charity plans continuing the activities outlined above in the forthcoming years subject to satisfactory funding arrangements. Both Nurseries' finance is based on the income from the sale of Nursery places, with funding from the Broad Green Sure Start Programme. There will be a need to focus more on fund-raising and applying for grants.

CANTERBURY ROAD SURE START CHILDCARE LIMITED

Future outlook

Discussions are currently in taking place with environmental health (cultural services) in the management of the Canterbury centre, which encompasses the operations of the whole complex to include the outdoor all weather sports pitch, or the management of the community hall, which include the shower and changing room facilities.

On behalf of the Board



Carol Addy
Chair

Statement of Responsibilities of the Trustees
For the year ended 31 March 2009

The Trustees are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including the net income or expenditure, for the period. In preparing those financial statements the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice 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 charity will continue in operation.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of charity and which enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the Trustees on ~~18th~~ ^{19th} JANUARY 2009 and signed on their behalf by:



Chair person

Independent Auditors' Report

To The Trustees of Canterbury Road Sure Start Childcare Limited

For the year ended 31 March 2009

We have audited the financial statements of Canterbury Road Sure Start Child Care Limited for the year ended 31 March 2009, which comprise the Statement of Financial Activities, Balance Sheet and related notes. These financial statements have been prepared on the basis of the accounting policies set out therein.

Respective responsibilities of Directors and Auditors

As described in the statement of Directors' Responsibilities the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with the financial statements.

In addition we also report if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

We conduct our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity, or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view in accordance with United Kingdom Generally Accepted accounting Practice, of the state of the Company's affairs at 31 March 2009 and of its results for the year then ended;
- the information given in the directors report is consistent with the financial statements; and
- have been properly prepared in accordance with the Companies Act 1985.

CANTERBURY ROAD SURE START CHILDCARE LIMITED

Independent Auditors' Report (continued)

To The Trustees of Canterbury Road Sure Start Childcare Limited

For the year ended 31 March 2009

Emphasis of Matter

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 2 on the Statement Accounting Policies concerning the company's ability to continue as a going concern. The company made a deficit of £24,471 (2008-£21,677) on its unrestricted fund during the year. The ability of the company to continue as a going concern is dependant on the Trustees successfully carrying out the measures outlined in that note. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.



Palmer McCarthy
Chartered Certified Accountants,
Registered Auditors
Toronto House,
49a South End,
Croydon, CR9 1LT

Date 18th January 2010

Statement of Accounting Policies

For the year ended 31 March 2009

1 Accounting policies

- a) The financial statements have been prepared in accordance with the provisions of the Financial Reporting Standards for Smaller Entities (January 2007) and the Statement of Recommend Practice: Accounting and Reporting by Charities (February 2005).
- b) The financial statements are prepared in accordance with the historic cost convention.
- c) Certain activities carried out by the Company are financed by participating members or from other sources of income such as sponsorship. Such income is recognised in the year in which the relevant events occur.
- d) Direct expenditure on activities is reflected in the year in which the relevant events occur.
- e) Grants are recognised in full in the statement of financial activities in the year in which they are receivable.

2 Going Concern

These financial accounts have been prepared on a going concern basis, which assumes the Company will have the ability to continue its operations as a going concern.

The company made a significant deficit during the year and its financial position reflects this. The Trustees are working jointly with the appropriate local authority in securing further and additional funding to ensure the continual future operations of the Company in achieving its objectives.

3 Amortisation of Goodwill

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset:

Goodwill	Amortised over 10 years
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4 Fixed assets

Tangible fixed assets are stated at historical cost or fair value upon acquisition less accumulated depreciation. Depreciation is provided on a reducing balance method at rates calculated to write off the cost of the relevant asset over their expected useful economic life.

The annual depreciation rates used for the major categories of assets:

Fixtures, fittings & equipment	25% reducing balance method
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5 Stocks

These are valued at the lower of cost and net realisable value. In determining the cost of consumable goods for resale, the weighted average purchase price is used.

6 Activities in furtherance of the Charity's Objectives

Activities in furtherance of the Charity's Objectives comprises of nursery fees to third parties net of discounts and of value added tax.

CANTERBURY ROAD SURE START CHILDCARE LIMITED

Statement of Financial Activities
For the year ended 31 March 2009

	Note	2009 £	2008 £
Incoming resources			
		<i>Unrestricted Funds</i>	<i>Restricted Funds</i>
Grants & similar income resources	2	317,047	19,628
Activities in furtherance of the charity's objectives:			
Childcare placements	3	335,729	-
Activities to generate funds:			
Other income resources		34,950	-
Investment income	6	91	-
Total income resources		687,817	19,628
Resources expended			
Charitable expenditure			
Childcare Placements	4	(709,058)	-
Governance Costs	4	(3,230)	-
Total resources expended		712,288	-
Net movement in funds	12	(24,471)	(4,843)

All the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above.

CANTERBURY ROAD SURE START CHILDCARE LIMITED

The accounting policies on page 9 and the notes to the financial statements on pages 9 to 12 form part of these financial statements

Balance Sheet At 31 March 2009

	Note	2009 £	2008 £
FIXED ASSETS			
Intangible asset	8	13,500	-
Tangible assets	9	3,716	3,030
		17,216	3,030
CURRENT ASSETS			
Debtors and prepayments	10	12,803	7,207
Cash at bank and in hand		28,257	6,619
		41,060	13,826
CURRENT LIABILITIES			
Creditors and accruals	11	(75,880)	(29,617)
NET CURRENT		(34,820)	(15,791)
Total assets less Liabilities		(17,604)	(12,761)
Financed by:			
Unrestricted funds	12	(37,232)	(12,761)
Restricted funds	13	19,628	-
Total funds		(17,604)	(12,761)

The financial statements on pages 9 to 11 were approved by the Board of Directors were signed on its behalf on 18th JANUARY 2010 by:



Chairman

CANTERBURY ROAD SURE START CHILDCARE LIMITED

The accounting policies on page 9 and the notes to the financial statements on pages 9 to 12 form part of these financial statements

Notes to the Financial Statements

For the year ended 31 March 2009

1 Net movement in funds

Net movement in funds is stated after charging

	2009	2008
	£	£
Governance cost	3,230	3,991
Amortisation	1,500	-
Depreciation of fixed assets	564	797

2 Donations, legacies and similar incoming resources

	2009	2008
	£	£
Grant from received		
Nursery support	47,382	47,381
Early years	64,681	56,034
Family support	77,712	77,000
Others	127,272	35,866
	317,047	216,281

3 Activities in furtherance of the Charity's objectives(

	2009	2008
	£	£
Nursery fees	335,729	336,070
	335,729	336,070

4 Staff costs and numbers

The costs incurred in respect of these employees were:

	2009	2008
	£	£
Salaries and wages	(364,307)	(353,182)
Social security costs	(25,683)	(28,675)

There no employee earning more than £50,000 for the year under review.

The average number of full time staff employed during the year under review was

	2009	2008
	£	£
Office and administration	3	2
Direct charitable work	32	25
	35	27

5 Analysis of total resources expensed

	2009	2008
	Staff Costs	Total
	£	£
Childcare Placements	(571,069)	(482,950)
Establishment costs	-	(36,238)
Catering	-	(21,553)
Educational equipment	-	(5,247)
Governance costs	-	(3,991)
Others	-	(24,627)
	(571,069)	(574,606)

CANTERBURY ROAD SURE START CHILDCARE LIMITED

Included in Governance costs are fees payable to the Auditors, Palmer McCarthy of £2,976 (2008 - £2178). The increase reflects an under provision in the previous years accounts.

6 Investment income	2009 £	2008 £
Interest receivable		
Short term deposits	91	352

Notes to the Financial Statements

For the year ended 31 March 2009(*continued*)

7 Corporation Tax

The Company is exempt from corporation tax on income and gains falling within section 505 of the Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the Charity.

8 Intangible fixed asset	Goodwill £
Cost	
At April 1, 2008	-
Additions	15,000
At March 31, 2009	15,000
Amortisation	
At April 1, 2008	-
Charge for the year	(1,500)
	(1,500)
Net book value	
At March 31, 2009	13,500
At March 31, 2008	-

9 Tangible fixed assets	Fixture, fittings and equipment £
Cost	
At April 1, 2008	8,783
Additions	1,250
Disposal	-
At March 31, 2009	10,033
Accumulated depreciation	
At April 1, 2008	(5,753)
Charged for the year	(564)
At March 31, 2009	(6,317)
Net book value	
At 31 March 2009	3,716
At 31 March 2008	3,030

CANTERBURY ROAD SURE START CHILDCARE LIMITED**10 Debtors and prepayments**

	2009 £	2008 £
Trade debtors	12,159	6,792
Prepayments	644	415
	12,803	7,207

11 Creditors and accruals

	2009 £	2008 £
Trade creditors	(54,028)	(14,964)
Taxes and social security	(8,790)	(7,740)
Accruals	(13,062)	(6,913)
	(75,880)	(29,617)

Notes to the Financial StatementsFor the year ended 31 March 2009(*continued*)**12 Unrestricted funds**

Unrestricted funds relates to the general reserves, which is retained to cover fixed assets and provide working capital.

	Canterbury Road £	Peppermint Children's Centre £	Total £
At April 1, 2008	(13,263)		(12,761)
		502	
Surplus (Deficit) for the year	408	(24,879)	(24,471)
At 31 March 2009	(12,855)	(24,377)	(37,232)

13. Restricted Funds

During the year Grants totalling £19,628 were received for the purpose of capital expenditure by the company. This money will be spent during the current accounting period.

14 Trustee Remuneration and Related Party Transactions

No member of the management committee or trustees received any remuneration during the year.

The Trustees of the company have children placed at the nursery for which they pay the full parental fee.

15 Contingent Liabilities

At 31 March 2009, the Company had no contingent liabilities or capital commitment.

The following page does not form part of these financial statements

CANTERBURY ROAD SURE START CHILDCARE LIMITED

INCOME & EXPENDITURE ACCOUNT

For the year ended 31 March 2009

	Canterbury Road	2009 Peppermint Children's Centre	Total	2008 Total
	£	£	£	£
Income Receivable				
Sure Start Broad Green grant	37,712	40,000	77,712	77,000
Sure Start Broad Green nursery	25,752	21,630	47,382	47,381
Government nursery education grant	30,566	34,115	64,681	56,034
Parent/Subvention Childcare place fees	207,261	128,468	335,729	336,070
Sundry receipt	393	34,557	34,950	226
Department of Health milk subsidy grant	-	-	-	1,026
Other grants	31,092	48,683	79,775	34,841
Pre school	41,988	-	41,988	-
Youth funding	-	5,509	5,509	-
Bank interest received	46	45	91	352
Total Income receivable	374,810	313,007	687,817	552,930
Premises costs	(18,209)	(31,358)	(49,567)	(36,238)
Staff salaries	(191,742)	(172,566)	(364,308)	(353,182)
Employer's NI	(13,606)	(12,077)	(25,683)	(28,675)
Agency staff	(111,364)	(69,714)	(181,078)	(101,093)
Staff training and information	(497)	(2,410)	(2,907)	(1,225)
Catering	(15,443)	(11,562)	(27,005)	(21,553)
Children social activities/educational	(2,541)	(6,648)	(9,189)	(5,247)
Cleaning and domestic supplies	(9,502)	(12,779)	(22,281)	(9,397)
Clinical waste	-	(1,057)	(1,057)	(523)
Expendable equipment	(121)	(1,178)	(1,299)	(461)
Hire of equipment	-	-	-	(153)
Insurance	(778)	(871)	(1,649)	(1,543)
Office supplies	(1,113)	(1,662)	(2,775)	(2,656)
Telephone, postage, fax and internet	-	(2,666)	(2,666)	(1,520)
Bad debts	-	-	-	(3,419)
Bank charges	(660)	(659)	(1,319)	(1,360)
Books and publication	(6)	(5)	(11)	-
Sundry expenses	(799)	(1,464)	(2,263)	(231)
Vending machine	-	(2,865)	(2,865)	-
OFSTED registration	(127)	(127)	(254)	(240)
Accountancy	(1,450)	(1,450)	(2,900)	(2,872)
Audit Fees	(1,576)	(1,400)	(2,976)	(2,178)
Professional fees	(2,850)	(2,850)	(5,700)	-
Recruitment	(236)	(236)	(472)	(44)
Depreciation	(282)	(282)	(564)	(797)
Amortisation of goodwill	(1,500)	-	(1,500)	-
Total Administrative and overhead expenses	(374,402)	(337,886)	(712,288)	(574,607)
Surplus (Deficit) for the year	408	(24,879)	(24,471)	(21,677)