

**Registered Charity No: 297841**

**Registered Company No: 2158890**

**BOW CHILDCARE**  
**(formally Bow Childcare Limited)**  
**REPORT AND FINANCIAL STATEMENTS**

**Year ended 31 March 2009**

**WEDNESDAY**



**A02**      **\*A53FJF94\***      **143**  
**25/11/2009**  
**COMPANIES HOUSE**

## **BOW CHILDCARE**

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### **REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Charity No: 297841**

**Registered Company No: 2158890**

#### **TRUSTEES**

L Duffy

D Pommell

C Tollington

#### **SECRETARY**

J Lawson

#### **BANKERS**

The Cooperative Bank

1 Balloon Street

Manchester

M60 1GP

CCLA Investment Management Limited

80 Cheapside

London

EC2V 6DZ

#### **AUDITORS**

BDO LLP

Emerald House

East Street

Epsom

Surrey

KT17 1HS

#### **REGISTERED OFFICE**

Barnardo House

Tanners Lane

Barkingside

Ilford

Essex

IG6 IQG

## **BOW CHILDCARE**

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### **TRUSTEES' REPORT**

The Trustees present their report and financial statements for the year ended 31 March 2009.

#### **STRUCTURE, GOVERNANCE & MANAGEMENT**

##### **GOVERNING DOCUMENT**

The organisation is a charitable company limited by guarantee incorporated in May 1987 and registered as a charity in 1987. The company was established under a memorandum of association that established the objects and powers of the charitable company and is governed by its articles of association. In the event of the company being wound up, members are required to contribute an amount not exceeding £1.

The governance arrangements for Bow Childcare changed in December 2008. The Memorandum and Articles of the Charity were amended by special resolution of the members of the Charity on 1 December 2008, causing Barnardo Holdings Limited (registered company number 00966098), a wholly-owned subsidiary of Barnardo's (a registered charity number 216250 and registered company number 61625), to become the sole member of the Charity.

The Memorandum and Articles of the Charity were subsequently amended by special written resolution of Barnardo Holdings Limited, as sole member, on 5 December 2008. It was resolved on that date to change the name from Bow Childcare Limited to Bow Childcare. The changes were made to reflect Barnardo's involvement in the Charity, which enabled the organisation to continue as a going concern providing nursery services.

The registered office was changed to Barnardo House, Tanners Lane, Barkingside, Ilford, Essex, IG6 1QG.

##### **RECRUITMENT & APPOINTMENT OF BOARD OF TRUSTEES**

Notices of resignation were received from Trustees Mr Neha Sudhaker (with effect 15 April 2008) and Ms Hannah Swain (with effect 9 September 2008).

On 6th December, 2009 Trustees Revd Helen Matthews, Ms Jo Freeman, Ms Lilu Kulsoma Ahmed, Dr Savitha Pushparajah, Ms Cynthia Edwards Wilson, Mr John Hills and Mr Tim O'Sullivan all resigned. Also on 6th December, 2009 notices of appointment of Delroy Pomell and Chris Triggs were received by the Charity from Barnardo Holdings Limited.

Jennifer Veitch resigned as company secretary of the Charity and Joanna Lawson was appointed company secretary with effect from 8 December 2008.

Notices of resignation were received and accepted from Chris Triggs (with effect 18 May 2009) and Jenni Veitch (with effect 3 June 2009). A notice of appointment commencing on 3 June 2009 of Liam Duffy had been received by the Charity from Barnardo Holdings Ltd (as sole member). A notice of resignation was received and accepted from Rob Trimble (with effect from 20 June 2009).

The following persons therefore comprise all the current Trustees of the Charity: Liam Duffy, Delroy Pomell and Catherine Tollington.

The Directors of the charity are also charity Trustees for the purpose of charity law, and under the company's articles, are known as members of the Board of Trustees. Under the requirements of the memorandum and articles of association Trustees shall be appointed for a renewable term of up to three years by:

- the Member, by service of notice in writing from an authorised representative of the Member to the registered office; or
- resolution of the Trustees.

### **TRUSTEES' REPORT (continued)**

Trustees are appointed by unanimous vote by the Board; who are committed to ensuring that adequate skills and experience are represented on it.

New trustees have been encouraged to familiarise themselves with the charity and the context in which it operates.

Due to the nature of childcare, much of the charity's work inevitably focuses upon children and young people. The Trustees seek to ensure that the needs of this group are appropriately reflected through the diversity of the Trustee body.

### **RISK MANAGEMENT**

The Trustees have identified the major risks to which the charity is exposed. Systems and procedures have been established to manage these risks. The major risks and the controls in place to manage these risks are reviewed periodically by the Board of Trustees.

Procedures are in place to ensure compliance with health and safety of staff, volunteers, clients and visitors to the centres. The continuing registration of the service and the implementation of Early Years standards and practice ensure a consistent quality of delivery for all operational aspects of the charity. These procedures are reviewed periodically to ensure that they continue to meet the needs of the charity.

### **ORGANISATIONAL STRUCTURE**

The General Manager is responsible for delivering the business plan and ensuring that key financial and operational performance indicators are met. Responsibility for the effective day-to-day financial control of the organisation has now been outsourced to Barnardo's. The nursery managers have responsibility for the day-to-day operational management of each centre and the line management of nursery staff. All managers and nursery workers are encouraged to develop skills, knowledge and experience in line with industry standard good practice (OFSTED, Early Years Professional Status, National Day Nurseries' Association quality assurance standard). The organisation receives day-to-day management advice and support from Barnardo's.

### **RELATED PARTIES**

In so far as it is complementary to the Charity's aims and objectives, both local and national policy guide the charity. At a National level, it is steered by the Department for Children, Schools and Families' Ten Year Childcare Strategy and Every Child Matters framework. The Charity has developed professional working partnerships with many stakeholder organisations including the Bromley by Bow Centre, Bromley by Bow United Reformed Church, Poplar Harca, Marner School, The Canning Town & Custom House Community Regeneration Project, Hackney Council, as well as local Sure Start programmes and Early Years in Tower Hamlets and Hackney (The Learning Trust). These working partnerships are an indication of our commitment to broad regeneration and community goals.

### **OBJECTIVES AND ACTIVITIES OF PUBLIC BENEFIT**

Bow Childcare is a social enterprise based in east London, which provides childcare services in some of the most deprived wards in the UK. The charity's objectives and principle activities are to:

- Provide high quality care for children whose ages range from three months to eleven years.
- Provide support and opportunities to the wider family.

In planning and prioritising activities for the year, the Board of Trustees have had regard to the Charity Commission's general guidance on public benefit. The Trustees confirm that in their opinion the charity meets the criteria set out in this guidance. As part of its commitment towards Public Benefit Bow supports the community in a number of ways including supplementing traditional nursery care with free of charge family support services, openly welcoming children with special needs and offering fees generally lower than commercial nurseries in the surrounding area, which is a deprived part of the United Kingdom.

### **TRUSTEES' REPORT (continued)**

The staff team is trained to encourage every child to reach its full potential by supporting and challenging their development and learning. Facilities are designed to offer a safe, caring and stimulating environment where children are offered a wide range of experiences and activities. At each of the nurseries, Bow Childcare employs nursery workers who are trained to care for children with special educational needs (currently around 10% of the children in Bow Childcare's care). Creativity is very prominent in the curriculum and there is a strong tradition of encouraging children's creative talents. Bow Childcare actively promotes integration and inclusion in its services, which echoes the rich cultural and economic mix of the communities in which it works. This is reflected in the diversity of backgrounds of both the children in the care of the organisation and its staff team.

### **ACHIEVEMENTS AND PERFORMANCE**

The accounting period 2008/09 has been a difficult year for Bow Childcare. However it took steps to resolve the ongoing financial problems it experienced in the previous year by agreeing and starting to implement a turnaround plan. This involved the active support of Barnardo's, which became the sole member of Bow Childcare in December 2008.

The turnaround plan included some key recommendations designed to reduce costs, improve management processes and customer service and increase occupancy levels/fee income. The following recommendations have been implemented:

- Closure of Abrahams Children's Centre in Canning Town, with the loss of 23 jobs and restructured its central management team with the loss of three posts (Director, Administrative Assistant, Senior Operations and Finance Manager) and the introduction of two new positions (General Manager and Accounting Technician), more appropriate to needs of the new organisation.
- New governance and organisational structure – see paragraphs 1 & 2 of this report.

The implementation of new performance procedures is about to commence and will be reported on in the 2009/10 report as will the HR review, finance policies and procedures and the relocation of Head Office.

Central to the implementation of the turnaround plan has been the significant financial and management support from Barnardo's, without which Bow Childcare would have been unable to survive.

A new, permanent General Manager has been appointed to oversee the next stages of the Turnaround Plan for Bow Childcare.

The finance function has been outsourced to Barnardo's North East, which has extensive experience of running nursery financial procedures.

Bow Childcare now operates in two centres, one in Tower Hamlets (Bow) and one in Hackney (Wetherell):

- Bow Nursery (25 full time places, for children aged 3 to 5 years) at 1 Bruce Road, London E3 3HN  
Tudor Lodge (48 places for children aged from three months to 3 years) Bow Kids' Club (after school provision, 32 places for children aged 4-11 years) now based at the Marner Centre, Devas Street, London E3 3LL.
- Wetherell Children's Centre (17 Iveagh Close, Wetherell Road, London E9 7BW) and Wetherell Nursery (70 places for children aged from three months to five years).

### **FINANCIAL REVIEW**

The year to 31 March 2009 was another difficult financial year for Bow Childcare. As at 31 March 2009 Barnardo's had provided £150,000 in financial support, which enabled Bow Childcare to make the necessary

### **TRUSTEES' REPORT (continued)**

structural changes and pay redundancy payments to 23 members of staff. Since then a further £50,000 has been provided by Barnardo's to allow Bow Childcare to continue to implement recommendations of the turnaround plan.

Nursery managers have been asked to focus the timely collection of fee income and policies and procedures have been put in place to reduce the risk of debt from fee income.

Since the closure of Abrahams, the terms of the remaining lease have been negotiated and as a result no further commitment exists.

### **RESERVES POLICY**

The Trustees have a policy whereby the unrestricted funds should be 3 months of salaries. The budgeted salary expenditure for 2009/10 is £863,582 so therefore the target should be £215,896 in general funds. However, at 31 March 2009 the charity had no free reserves and the general funds were £295,426 in deficit. The long term strategy is to build reserves through planned operating surpluses. However we will need to work hard towards this over the next 5 years.

### **PLANS FOR FUTURE PERIODS**

The priority for the General Manager and Trustees is to continue to implement the strategic turnaround plan to secure the financial sustainability of the charity for the future.

### **RESPONSIBILITY OF THE BOARD OF TRUSTEES**

Company Law requires the Board of Directors, (who are the Trustees for the purpose of charities law) to prepare financial statements for each financial year, which gives a true and fair view of the state of the affairs of the charitable company as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year.

In preparing those financial statements, the Trustees should follow best practice and

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent,
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounting policies; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue on that basis.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the Trustees are aware, there is no relevant information of which the company's auditors are unaware.

## **BOW CHILDCARE**

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### **TRUSTEES' REPORT (continued)**

The Trustees have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

#### **AUDITORS**

Following the change in governance arrangements for Bow Childcare in December 2008, BDO LLP were appointed auditors of the company replacing Kingston Smith LLP.

The Trustees have prepared this report in accordance with the Special Provisions of Part VII of the Companies Act 1985 relating to small companies and the Statement of Recommended Practice (SORP 2005) - Accounting and Reporting by Charities.

Approved by the Board on ... 28 October 2009

*Catherine Toller*

Trustee

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## Independent auditor's report to the members of Bow Childcare

We have audited the financial statements of Bow Childcare for the year ended 31 March 2009 which comprise the Statement of Financial Activities (including the Income and Expenditure Account), the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

### RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As described in the statement of Trustees responsibilities, the charity trustees, who are also the Directors of Bow Childcare for the purposes of company law, are responsible for preparing the Trustee's Report and the financial statements in accordance with applicable law and UK accounting standards (UK Generally Accepted Accounting Practice).

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 relevant financial reporting framework and are prepared in accordance with the Companies Act 1985. In addition, we report to you our opinion as to whether information given in the Trustees' Report is consistent with those financial statements. We also report to you if, in our opinion, the charity has not kept proper accounting records, if the charity's financial statements are not in agreement with those accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Trustees' remuneration and transactions with the charity is not disclosed.

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

Our report has been prepared pursuant to the requirements of the Companies Act 1985 and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of the Companies Act 1985 or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

### BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes 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 Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 financial statements 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 of the state of affairs of the charitable company as at 31 March 2009 and of its incoming resources and resources expended, including its income and expenditure, for the year then ended
- the financial statements have been prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.

**BDO LLP**

BDO LLP, statutory auditor  
London  
United Kingdom

Date: 13th November 2009

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).



**BOW CHILDCARE****STATEMENT OF FINANCIAL ACTIVITIES  
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)  
for the year ended 31 March 2009**

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2009 £	Total 2008 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds					
Grants	2	-	237,519	237,519	222,809
Donations		3,556	-	3,556	5,282
Incoming resources from charitable activities					
Fees		1,009,041	-	1,009,041	1,005,412
Other incoming resources		392	-	392	32,389
Interest receivable		1,674	-	1,674	3,878
<b>TOTAL INCOMING RESOURCES</b>		<b>1,014,663</b>	<b>237,519</b>	<b>1,252,182</b>	<b>1,269,770</b>
<b>RESOURCES EXPENDED</b>					
Charitable activities		1,298,397	255,084	1,553,481	1,453,494
Governance costs		16,841	-	16,841	17,190
<b>TOTAL RESOURCES EXPENDED</b>	4	<b>1,315,238</b>	<b>255,084</b>	<b>1,570,322</b>	<b>1,470,684</b>
<b>NET MOVEMENT IN FUNDS</b>		<b>(300,575)</b>	<b>(17,565)</b>	<b>(318,140)</b>	<b>(200,914)</b>
<b>TOTAL FUNDS BROUGHT FORWARD</b>		<b>5,149</b>	<b>161,490</b>	<b>166,639</b>	<b>367,553</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>(295,426)</b>	<b>143,925</b>	<b>(151,501)</b>	<b>166,639</b>

All incoming resources and resources expended derive from continuing activities.

The statement of financial activities include all gains and losses recognised in the year.

**BOW CHILDCARE****Registered Charity No: 297841****Registered Company No: 2158890****BALANCE SHEET****at 31 March 2009**

		<u>2009</u>	<u>2008</u>
	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	6	81,621	159,349
<b>CURRENT ASSETS</b>			
Debtors	7	57,230	93,444
Cash at bank and in hand		<u>3,972</u>	<u>25,360</u>
		61,202	118,804
<b>CREDITORS - amounts falling due within one year</b>	8	(144,324)	(111,514)
<b>NET CURRENT (LIABILITIES)/ASSETS</b>		<u>(83,122)</u>	<u>7,290</u>
<b>CREDITORS - amounts falling due after more than one year</b>	9	(150,000)	-
<b>NET (LIABILITIES)/ASSETS</b>		<u><u>(151,501)</u></u>	<u><u>166,639</u></u>
 <b>REPRESENTED BY</b>			
Restricted funds	11	143,925	161,490
Unrestricted funds		(295,426)	5,149
		<u><u>(151,501)</u></u>	<u><u>166,639</u></u>

These accounts have been prepared in accordance with the special provisions of part VII of the Companies Act 1985 relating to small companies.

These accounts were approved for issue by the Board and authorised for issue on **28 October 2009**

*Catherine Tollyph*

Trustee

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**NOTES TO THE ACCOUNTS**

**Year ended 31 March 2009**

**1 ACCOUNTING POLICIES**

**a Basis of preparation**

The financial statements have been prepared under the historical cost convention, and in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005), applicable accounting standards and the Company Act 1985.

During the year the charity incurred a deficit on unrestricted funds of £300,575. A turnaround plan was implemented to correct the situation. The initial costs of the turnaround plan was funded by a loan from Barnardo's.

On the basis of projections available, the implementation of the turnaround plan and the financial support provided by Barnardo's, the Trustees consider that the charity will operate within its finance facilities, continue to meet its liabilities as they fall due and that it is appropriate to prepare the financial statements on a going concern basis.

**b Income**

Incoming resources (including fees and grants) are recognised in the period in which the charity is entitled to receipt and the amount can be measured with reasonable certainty.

**c Resources expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis inclusive of VAT.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services. It includes both costs that can be allocated directly to such activities and supports costs.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity. Expenditure which is directly attributable to specific activities has been included in those cost categories. Other costs which are attributable to more than one activity are apportioned across the cost categories on a best estimate of the proportion of time spent.

**d Deferred income and expenditure**

Income and expenditure relating to the provision of childcare services for the subsequent accounting period have been deferred for release in that period.

**e Tangible fixed assets**

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

Toys and nursery equipment	50% reducing balance method
Fixtures, fittings and equipment	50% reducing balance method
Premises	10% pa or the life of the lease, whichever is shorter

**f Leasing**

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

**g Fund accounting**

Unrestricted funds are those which can be used in accordance with the objects of the charity at the discretion of the Trustees.

Restricted funds are those which must be used for specific purposes as laid down by the donor within the objects of the charity.

**NOTES TO THE ACCOUNTS****Year ended 31 March 2009**

	<u>2009</u>	<u>2008</u>
<b>2 GRANTS</b>	<b>£</b>	<b>£</b>
Learning Trust	61,991	73,253
Childcare Affordability Programme	57,581	-
Childrens Centre Revenue	82,054	-
Early Years Development & Childcare Partnership	22,013	98,779
Sustainability Grant	-	25,000
Other Grants	13,880	25,777
	<u>237,519</u>	<u>222,809</u>
 <b>3 NET INCOMING RESOURCES FOR THE YEAR</b>	 <b>£</b>	 <b>£</b>
This is stated after charging:		
Depreciation	45,775	51,636
Previous Auditor's remuneration - audit fees	4,878	9,846
Incumbant Auditor's remuneration - audit fees	5,500	-
Auditor's remuneration - payroll	-	4,952
Auditor's remuneration - other	-	588
Rent - operating leases	<u>55,004</u>	<u>54,034</u>

## BOW CHILDCARE

### NOTES TO THE ACCOUNTS

Year ended 31 March 2009

<b>4 RESOURCES EXPENDED</b>	<b>Provision of Childcare</b>	<b>Governance</b>	<b>Total 2009</b>	<b>Total 2008</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Costs directly attributable to activities</b>				
Staff costs	1,028,121	-	1,028,121	995,808
Food for children	56,314	-	56,314	64,650
Toys, consumables and event costs	36,216	-	36,216	35,952
Other nursery cost	8,435	-	8,435	30,367
	<u>1,129,086</u>	<u>-</u>	<u>1,129,086</u>	<u>1,126,777</u>
<b>Support costs</b>				
Staff costs	125,543	-	125,543	122,772
Rent and rates	67,606	-	67,606	63,823
Light and heat	31,515	-	31,515	31,892
Repairs	7,716	-	7,716	19,824
Other premises costs	58,585	-	58,585	23,306
Bad debts	57,285	-	57,285	14,595
Depreciation	45,775	-	45,775	51,636
Audit fees	-	10,378	10,378	9,846
Accountancy and payroll fees	5,612	-	5,612	5,540
Bank charges	790	-	790	673
Professional fees	23,968	6,463	30,431	-
	<u>424,395</u>	<u>16,841</u>	<u>441,236</u>	<u>343,907</u>
<b>Total</b>	<u>1,553,481</u>	<u>16,841</u>	<u>1,570,322</u>	<u>1,470,684</u>

## **BOW CHILDCARE**

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### **NOTES TO THE ACCOUNTS**

**Year ended 31 March 2009**

#### **5 EMPLOYEES**

<b>Employment costs</b>	<b><u>2009</u></b>	<b><u>2008</u></b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,085,712	910,174
Social security costs	67,330	67,482
	<u>1,153,042</u>	<u>977,656</u>

There were no employees whose annual emoluments were £60,000 or more.

No Trustees received remuneration or were reimbursed expenses in the current or comparative year..

#### **Number of employees**

The average monthly number of employees during the year was:

	<b><u>2009</u></b>	<b><u>2008</u></b>
	<b>Number</b>	<b>Number</b>
Wages and salaries	71	67
Social security costs	3	3
	<u>74</u>	<u>70</u>

## BOW CHILDCARE

### NOTES TO THE ACCOUNTS

Year ended 31 March 2009

#### 6 TANGIBLE FIXED ASSETS

	Improvements to leasehold premises	Fixtures, fittings & equipment	Toys & nursery equipment	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2008	373,304	59,266	74,041	506,611
Additions	-	4,547	-	4,547
Disposals	(124,429)	-	-	(124,429)
<b>At 31 March 2009</b>	<b>248,875</b>	<b>63,813</b>	<b>74,041</b>	<b>386,729</b>
<b>Depreciation</b>				
At 1 April 2008	226,452	50,990	69,820	347,262
Depreciation	37,332	6,332	2,111	45,775
Depreciation on Disposals	(87,929)	-	-	(87,929)
<b>At 31 March 2009</b>	<b>175,855</b>	<b>57,322</b>	<b>71,931</b>	<b>305,108</b>
<b>Net book value</b>				
<b>At 31 March 2009</b>	<b>73,020</b>	<b>6,491</b>	<b>2,110</b>	<b>81,621</b>
<b>At 31 March 2008</b>	<b>146,852</b>	<b>8,276</b>	<b>4,221</b>	<b>159,349</b>

All assets held by the charity are for charitable purposes.

#### 7 DEBTORS

	<u>2009</u>	<u>2008</u>
	£	£
Nursery fees receivable	30,980	52,218
Grants receivable	6,662	33,189
Prepayments	19,588	8,037
	<u>57,230</u>	<u>93,444</u>

#### 8 CREDITORS: Amounts falling due within one year

	<u>2009</u>	<u>2008</u>
	£	£
Trade creditors	62,469	88,209
Other creditors	64,298	23,305
Deferred income	17,557	-
	<u>144,324</u>	<u>111,514</u>

#### 9 CREDITORS: Amounts falling due after more than one year

Intercompany loan	150,000	-
	<u>150,000</u>	<u>-</u>

**NOTES TO THE ACCOUNTS****Year ended 31 March 2009****10 SHARE CAPITAL**

The charity is a company limited by guarantee. In event of the company being wound up, members are required to contribute an amount not exceeding more than £1.

At 31 March 2009, Barnardo Holdings Limited was the sole member of the charity.

**11 RESTRICTED FUNDS**

These represent funds where the donor has restricted the use of the money as below:

	<b>Movement in funds</b>			<b>Balance at 31 March 2009</b>
	<b>Balance at 1 April 2008</b>	<b>Incoming resources</b>	<b>Resources expended</b>	
	£	£	£	£
Capital	161,490	2,239	(45,775)	117,954
Revenue	-	235,280	(209,309)	25,971
	<u>161,490</u>	<u>237,519</u>	<u>(255,084)</u>	<u>143,925</u>

Capital represents funds to purchase capital items such as equipment and improvements to nursery sites. Depreciation on items purchased is written off against the fund when it is provided.

Revenue represents grants for the provision of childcare.

**12 ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Total</b>
	£	£	£
Fund balances at 31 March 2009 are represented by:			
Tangible fixed assets	167	81,454	81,621
Net current assets	(295,593)	62,471	(233,122)
	<u>(295,426)</u>	<u>143,925</u>	<u>(151,501)</u>



## NOTES TO THE ACCOUNTS

Year ended 31 March 2009

### 13 COMMITMENTS UNDER OPERATING LEASES

At 31 March 2009 the charitable company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	<u>2009</u>	<u>2008</u>
	£	£
Expiry date:		
In over five years	<u>55,004</u>	<u>54,035</u>

### 14 RELATED PARTY TRANSACTION AND ULTIMATE PARENT COMPANY

During the year Barnardos provided a loan of £150,000 which was still outstanding at 31st March, 2009. The ultimate parent company and smallest and largest group for which group accounts are published is Barnardo's, registered in England and Wales (registered charity number 216250 and registered company number 61625). Group accounts are available from Barnardo's, Tanners Lane, Barkingside, Ilford, Essex IG6 1QG.