

MINIK KARDES DAY NURSERY LTD.
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2001

Company Number: 3076260

Charity Number: 1067893



MINIK KARDES DAY NURSERY LTD.
REPORT AND FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2001

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MINIK KARDES DAY NURSERY LTD.

LEGAL AND ADMINISTRATION

Committee Members:

Ugur Omer
Nadine Stuart
Mustafa Koc
Nerguzer Berber
Sibel Aydin

Nuray Yavar
Gulfer Cokelek
Gaye Oztok
Leyla Aslan

Secretary:

Elif Sarikaya

Registered Office:

53-55 Balls Pond Road
London
N1 4BW

Auditors:

Gotham Erskine
Friendly House
52-58 Tabernacle Street
London
EC2A 4NJ

Bankers:

Barclays Bank plc
Kingsland Branch
PO Box 3628
London E8 2JX

The Company is a registered charity. The Company's governing instrument is its Memorandum and Articles of Association, and the Company is limited by guarantee (without share capital).

In the event of the Company being wound up, every member is liable to contribute not more than £1 towards the debts of the Company and the costs of winding up.

The object for which the Company was established is to advance the education of Turkish-speaking children below compulsory school age by the provision of bilingual nursery education.

MINIK KARDES DAY NURSERY LTD.

MANAGEMENT COMMITTEE'S REPORT

FOR THE YEAR ENDED 31 MARCH 2001

The members of the management committee, who are the Directors of Minik Kardes Day Nursery Ltd. present their report and the audited financial statements for the year ended 31 March 2001.

RESULTS

The results of the year's operation are set out in the attached financial statements. The net movement in unrestricted funds for the year amounted to £7,402 (2000: £11,333). The retained unrestricted reserves at 31 March 2001 amount to £34,120.

MANAGEMENT COMMITTEE

The members of the Management Committee who are the Trustees for charity law and the Directors for company law purposes serving during the year and up to the date of signing these accounts were:

Ugur Omer Elif Sarikaya

Gaye Oztok

Resigned at AGM 1 June 2000:

Hatice Bolat

Dilek Aysal

Leyla Cavcav

Belma Kukul

Muruvvet Demir

Appointed at AGM 1 June 2000:

Mustafa Koc

Nuray Yavar

Nerguzer Berber

Nadine Stuart

Leyla Aslan

Sibel Aydin

REVIEW OF ACTIVITIES

Once again, the Nursery received excellent inspection reports from Islington and Hackney Council. Both inspectors were impressed with the high standard of the approach to childcare. There were no recommendations regarding staffing, staff management or the care of children. There were only a few specific requirements raised relating to the improvements of the premises. Last year, we have successfully applied a three-year grant from the National Lottery for our Outreach Development Project. This year, we have successfully applied various funding to run different projects, i.e. Sure Start Copenhagen project, aim to work with Turkish speaking parents at Copenhagen area. Making Choices Project, to set up courses for Turkish speaking parents in Islington area, in order to increase their employment chances. Finally, Sure Start Cradle Project, to provide services for Turkish speaking parents in Dalston area.

Despite massive cuts in funding from Islington and Hackney Councils in the last financial year, with the help and support from Management Committee members, parents, and staff, we have overcome many obstacles and difficulties that the nursery faced. We have every confidence that the Nursery will strive and provide excellent service to the Turkish speaking community in the future.

COMMITTEE MEMBERS' RESPONSIBILITIES STATEMENT

The Members are required by law to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those financial statements the Committee are required to:

- select suitable accounting policies and apply them consistently,
- make judgements 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 financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Committee are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 1985. They 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.

MINIK KARDES DAY NURSERY LTD.

MANAGEMENT COMMITTEE'S REPORT

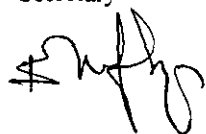
FOR THE YEAR ENDED 31 MARCH 2001

AUDITORS

The charitable company's auditors, Gotham Erskine, have indicated their willingness to continue in office and offer themselves for re-appointment at the next Annual General Meeting.

This report was approved by the Committee and signed on its behalf by:

Elif Sarikaya
Secretary



.....11/12/.....2001

**AUDITORS REPORT TO THE MEMBERS OF
MINIK KARDES DAY NURSERY LTD.**

We have audited the financial statements on pages 5 to 10 which have been prepared under the historical cost convention, modified by the revaluation of investments, and the accounting policies set out on page 7.

Respective responsibilities of committee members and auditors

As described on page 2, the company's committee members are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with auditing standards 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 judgments made by 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 an 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 assurances 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 charitable company's affairs as at 31 March 2001 and of its incoming resources and application of resources, including its income and expenditure for the year then ended, and have been properly prepared in accordance with the Companies Act 1985.



**Gotham Erskine
Registered Auditors**

23 October 2001
.....Dated
52-58 Tabernacle Street
Friendly House
London
EC2A 4NJ

MINIK KARDES DAY NURSERY LTD.
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2001

	Note	Unrestricted Funds £	Restricted Funds £	Total 2001 £	Total 2000 £
Incoming resources					
Donations and Gifts		10,051	-	10,051	8,236
Non-statutory funders		-	20,802	20,802	24,448
Statutory funders	2	110,122	15,287	125,409	136,622
Investment Income		968	-	968	1,099
Fees		66,550	-	66,550	47,098
Sundry Income		970	-	970	3,363
Total incoming resources		188,661	36,089	224,750	220,866
Resources expended	6				
Direct charitable expenditure:					
		169,781	31,099	200,880	202,355
Other expenditure:					
Fundraising		2,032	-	2,032	3,037
Management and administration of the charity		4,368	-	4,368	4,141
		6,400	-	6,400	7,178
Total resources expended		176,181	31,099	207,280	209,533
Net outgoing resources before transfers		12,480	4,990	17,470	11,333
Transfers between funds		(5,078)	5,078	-	-
Net movement in funds	3	7,402	10,068	17,470	11,333
Fund balances brought forward at 01 April 2000		26,718	-	26,718	15,385
Fund balances carried forward at 31 March 2001		£ 34,120	£ 10,068	£ 44,188	£ 26,718

- All transactions are derived from continuing activities.
- All recognised gains and losses are included in the Statement of Financial Activities.

MINIK KARDES DAY NURSERY LTD.

BALANCE SHEET

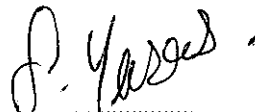
AT 31 MARCH 2001

	Note	2001	2000
		£	£
FIXED ASSETS			
Tangible assets	7	6,609	7,758
CURRENT ASSETS			
Debtors	8	11,496	2,403
Cash at bank and in hand		55,931	49,676
		<u>67,427</u>	<u>52,079</u>
CREDITORS: amounts falling due within one year	9	29,848	33,119
NET CURRENT ASSETS		37,579	18,960
NET ASSETS		<u>£ 44,188</u>	<u>£ 26,718</u>
FUNDS			
Restricted funds:	10	10,068	-
General funds			
Surplus brought forward		5,212	3,385
Surplus for the year		7,402	11,332
Transfer to designated reserve		(11,054)	(9,506)
Transfer from designated reserve		2,203	-
		<u>3,763</u>	<u>5,212</u>
Designated funds	11	30,357	21,506
		<u>£ 44,188</u>	<u>£ 26,718</u>

Approved by the committee members on 11/10/2001 and signed on their behalf by:



 Ugur Omer



 Nuray Yavar

MINIK KARDES DAY NURSERY LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under the historical cost basis and in accordance with the Statement of Recommended Practice (Accounting by Charities), and applicable accounting standards.

Fund Accounting

Unrestricted funds comprise accumulated surpluses and deficits on general funds. They are available for use at the discretion of the management committee in furtherance of the general charitable objectives.

Designated funds are amounts that have been set aside at the discretion of the management committee for particular purposes.

Restricted funds consist of amounts whose use is restricted as a condition of receipt.

Incoming resources

Incoming resources represents the total income receivable during the year comprising grants, donations and gifts, merchandise and publications, investment income and gifts in kind.

Allocation of overheads

Overheads are apportioned between functional expense headings based on a management assessment of the staff time expended.

Depreciation

Depreciation is calculated to write off the cost of fixed assets over their estimated useful lives using the following rates:

Office Equipment	- 25% net book value
Premises Improvements	- 25% net book value

The purchase of play equipment is treated as revenue expenditure.

Cash statement

A cash flow statement has not been prepared as the Company is a small company as defined by s.247 of the Companies Act 1985.

2. STATUTORY FUNDERS

	2001	2000
	£	£
London Borough of Hackney	76,074	76,421
LB Islington - GAP	22,758	60,201
LB Islington - Maternity income	6,043	-
LB Islington - NEG income	9,499	-
LB Islington - Surestart	2,504	-
LB Islington - Making Choices	6,740	-
LB Islington - Sundry income	1,791	-
	<u>£ 125,409</u>	<u>£ 136,622</u>

The L.B.Hackney grant reflected above was awarded towards core costs and was expended on this purposes in the year. The L.B.Islington grants relating to Materity, Surestart and Making Choices were restricted grants and are reflected in note 10 below.

MINIK KARDES DAY NURSERY LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

3. NET MOVEMENT IN FUNDS

	2001 £	2000 £
The net movement in funds is stated after charging:		
Depreciation	2,203	2,587
Auditors remuneration - Statutory audit	1,561	1,269
Auditors remuneration - Other	775	738

4. EMPLOYEES AND STAFF COSTS

	2001 Number	2000 Number
In aggregate the number of full and part time persons employed during the year was:		
Full time	9	9
Part time	5	3
	<u>14</u>	<u>12</u>
Staff costs were as follows:		
Salaries and wages	£ 159,297	£ 162,357
National insurance	13,318	14,198
Agency Staff	953	1,995
	<u>£ 173,568</u>	<u>£ 178,550</u>

All staff time is for direct charitable purposes, except that the equivalent of approximately 5% of the administrator's time is occupied in fund-raising and publicity, and 5% on the management and administration of the charity.

5. EXECUTIVE COMMITTEE REMUNERATION AND REIMBURSED EXPENSES

No members of the management committee received remuneration for their services during the year.
No members of the management committee received any reimbursed expenses during the year (2000: £-).

6. ANALYSIS OF TOTAL RESOURCES EXPENDED

	Staff Costs £	Other £	Depreciation £	Total £
Direct Charitable expenditure				
	171,820	26,857	2,203	200,880
	<u>171,820</u>	<u>26,857</u>	<u>2,203</u>	<u>200,880</u>
Other expenditure:				
Fundraising	874	1,158	-	2,032
Management and administration of the charity	874	3,494	-	4,368
	<u>£ 173,568</u>	<u>£ 31,509</u>	<u>£ 2,203</u>	<u>£ 207,280</u>

MINIK KARDES DAY NURSERY LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

7. TANGIBLE ASSETS

	Office Equipment £	Premises Improvements £	Total £
Cost			
01 April 2000	9,484	3,252	12,736
Additions	1,054	-	1,054
31 March 2001	10,538	3,252	13,790
Accumulated depreciation			
01 April 2000	4,165	813	4,978
Charge for the year	1,593	610	2,203
31 March 2001	5,758	1,423	7,181
Net Book Value			
31 March 2001	£ 4,780	£ 1,829	£ 6,609
31 March 2000	£ 5,319	£ 2,439	£ 7,758

8. DEBTORS

	2001 £	2000 £
Trade debtors	6,448	1,045
Bad debt provision	(3,026)	(787)
Other debtors	2,152	-
Prepayments and accrued income	5,922	2,145
	£ 11,496	£ 2,403

9. CREDITORS: amounts falling due within one year

	2001 £	2000 £
Deposits & overpaid fees refundable	4,438	2,420
PAYE due	-	4,259
Accruals	2,336	2,634
Grants in advance	23,074	19,729
National Lottery Charities Board	-	4,077
	£ 29,848	£ 33,119

MINIK KARDES DAY NURSERY LTD.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2001

10. RESTRICTED FUNDS

	Incoming resources	Expenditure	Transfers	Balance at 31 March 2001
Lottery Fund	20,802	(25,880)	5,078	-
Maternity Fund	6,043	(2,715)	-	3,328
Sure Start	2,504	(2,504)	-	-
Making Choices	6,740	-	-	6,740
	<u>36,089</u>	<u>(31,099)</u>	<u>5,078</u>	<u>10,068</u>

11. DESIGNATED FUNDS

	Balance at 01 April 2000 £	New designations £	Utilised/ realised £	Balance at 31 March 2001 £
Premises	2,748	5,000	-	7,748
Staff	11,000	5,000	-	16,000
Fixed Asset	7,758	1,054	(2,203)	6,609
	<u>21,506</u>	<u>11,054</u>	<u>(2,203)</u>	<u>30,357</u>

The fixed asset fund represents the net book value of assets.

The Nursery has introduced a reserves policy, as recommended by the Charity Commission. At present a total of £16,000 had been set aside as a 'staff fund' in case of costs arising from unfunded maternity leave, sickness or redundancy. £7,748 is currently set aside as a 'premises fund'.

12. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible assets	6,609	-	6,609
Current assets	53,282	14,145	67,427
Current liabilities	(25,771)	(4,077)	(29,848)
Total Net Assets	<u>£ 34,120</u>	<u>£ 10,068</u>	<u>£ 44,188</u>