

MINIK KARDES DAY NURSERY LTD
(PRIVATE COMPANY LIMITED BY GUARANTEE)
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

COMPANY REG NO.3076260

CHARITY NO. 1067893



TKG PARTNERSHIP
CHARTERED ACCOUNTANTS AND REGISTERED AUDITORS

MINIK KARDES DAY NURSERY LTD
(PRIVATE COMPANY LIMITED BY GUARANTEE)
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Page 11 does not form part of the statutory accounts.

MINIK KARDES DAY NURSERY LTD
(PRIVATE COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Directors	Gaye Nourell*	(resigned June 2006)
	Liz Acil*	(resigned April 2005)
	Cemile Yildirim*	(resigned April 2005)
	Ayla Karalar*	(resigned June 2006)
	Murat Oztas*	(resigned April 2005)
	Seher Patlar*	(resigned June 2006)
	Gulu Akpinar*	(appointed April 2005 - resigned June2006)
	Muge Kocadag*	(appointed April 2005 - resigned June2006)
	Ozlem Koyuncu*	(appointed April 2005 - resigned June2006)
	Sezay Osman*	(appointed April 2005 - resigned June2006)
	Zehra Sahin*	(appointed April 2005 - resigned June2006)
	Hall Cigdem*	(appointed April 2005 - resigned June2006)
	Aysegul Basyigit*	(appointed June 2005)
	Elif Sarikaya*	(appointed June 2005)
	Filiz Osman*	(appointed June 2005)
	Hatice Akyol*	(appointed June 2005)
	Sebahat Yazar*	(appointed June 2005)
	Sedicka Pillay*	(appointed June 2005)
	Sema Guden*	(appointed June 2005)
	Serap Pinar*	(appointed June 2005)
	Zuhal Kocadag*	(appointed June 2005)
	Figen Agacik*	(appointed June 2005)
	Cigdem Onay*	(appointed June 2005)

**** Also charity trustees for the purposes of Charity Law***

Company secretary:	Liz Acil	(resigned April 2005)
	Agathi Gereti	(appointed April 2005 - resigned June2006)
	Elif Sarikaya	(appointed June 2005)

Administration office: 53-55 Ball Pond Road
London
N1 4BW

Charity registration no.: 1067893

Company registration no.: 3076260 (England & Wales)

Auditors: TKG Partnership Ltd
Chartered Accountants & Registered Auditors
320 High Road
London
N22 8JR

Bankers: Barclays Bank
Kingsland Branch

MINIK KARDES DAY NURSERY LTD
(PRIVATE COMPANY LIMITED BY GUARANTEE)
DIRECTORS' & TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2006

The trustees, who are also directors of the charity for the purposes of the Companies Act, present their annual report together with the audited financial statements of the charity for the year ended 31 March 2006.

Structure, Governance and Management

Governing Document

Minik Kardes Day Nursery is a company limited by guarantee and is a registered charity. 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.

Recruitment & Appointment of Trustees

The trustees and directors who have served throughout the year are shown on page 1. Appointment of directors/trustees is governed by the Memorandum & Articles of Association.

Organisational Structure

The charity is organised so that the trustees meet regularly to manage its affairs. There is a co-ordinator who manages the day to day administration of the charity.

Risk Management

The trustees actively review the major risk which the Charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

Objectives & Activities

The charity's objects and its principal activities are to advance the education of Turkish speaking children below compulsory school age by the provision of bilingual nursery education.

Development, Activities and Achievements

The trustees consider that the charity's activities in meeting its objectives have been most satisfactory during the year under review.

The trustees are pleased to report that the expansion and refurbishment of the nursery centre has now been completed, enabling the charity to improve the provision of education to the children.

Financial review

Total income for the year amounted to £708,478 with total expenditure after transfers to endowment reserves amounting to £691,051 leaving a revenue surplus in the year of £17,427.

Accumulated reserves at the balance sheet date amounted to £496,073, of which £101,878 represent income reserves.

Reserves Policy

The trustees are of the opinion that the present level of funding together with the current level of reserves is adequate to support the continuations of the Charity's activities for the medium term. The trustees also consider the financial position of the Charity to be satisfactory.

Future developments

Funding for the year 2006/07 has been secured for the Charities' core activities and the aim of the Trustees is to further develop the provision of nursery education in the Hackney & Islington areas.

MINIK KARDES DAY NURSERY LTD
(PRIVATE COMPANY LIMITED BY GUARANTEE)
DIRECTORS' & TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2006
(Continued)

Responsibilities of Trustees

The trustees are required by company law to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare financial statements on a going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping 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.

Trustee Members

The trustees who are directors for the purposes of company law who served during the year and up to the date of this report are set out on page 1.

In accordance with company law, as the company directors, we certify that:

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's are aware of that information.

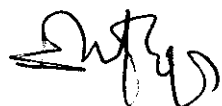
Auditors

TKG Partnership Ltd were re appointed as the charitable company's auditors at the last Annual General Meeting and have expressed their willingness to continue in that capacity.

Approval

This report has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (issued in March 2005) and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the trustees on 9 September 2006 and signed on its behalf by:



Elif Sarikaya
Trustee & Company Secretary

MINIK KARDES DAY NURSERY LTD
(PRIVATE COMPANY LIMITED BY GUARANTEE)
REPORT OF THE AUDITORS TO THE MEMBERS OF
MINIK KARDES DAY NURSERY LTD

We have audited the financial statements of Minik Kardes Day Nursery Ltd for the year ended 31 March 2006 on pages 5 to 10 which have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2005), under the accounting policies set out on page 7.

This report is made solely to the company's members, as a body, in accordance with s.235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters that 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described on page 3 the trustees who are also directors of Minik Kardes Day Nursery Ltd for the purposes of Company Law are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards. (United Kingdom 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 Companies Act 1985. We also report to you if, in our opinion, the report of the trustees is not consistent with the financial statements, if the charitable company has not kept proper books and records, and if we have not received all the information and explanations we require for our audit, or if the information specified by law regarding trustee's remuneration and transactions with the company is not disclosed.

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

Basis of 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 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, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charity's affairs as at 31 March 2006 and its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



TKG Partnership Ltd
Chartered Accountants & Registered Auditors
320 High Road
London N22 8JR

9 September 2006

MINIK KARDES DAY NURSERY LTD
(PRIVATE COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2006

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	<u>Notes</u>	<u>Unrestricted</u> <u>Funds</u> £	<u>Restricted</u> <u>Funds</u> £	<u>Endowment</u> <u>Funds</u> £	<u>Total</u> <u>2005/06</u> £	<u>Total</u> <u>2004/05</u> £
Incoming Resources						
Grants receivable	1	28,095	552,637	-	580,732	172,631
Nursery fees receivable		103,972	-	-	103,972	108,937
Interest receivable		2,390	-	-	2,390	1,535
Fundraising & other income	2	21,384	-	-	21,384	40,738
Total incoming resources		<u>155,841</u>	<u>552,637</u>	<u>-</u>	<u>708,478</u>	<u>323,841</u>
Resources expended						
Direct charitable expenditure	3	132,986	158,444	-	291,430	298,221
Management and administration	4	5,428	-	-	5,428	4,213
Total resources expended		<u>138,414</u>	<u>158,444</u>	<u>-</u>	<u>296,858</u>	<u>302,434</u>
Net incoming/(outgoing) resources before transfers	5	17,427	394,193	-	411,620	21,407
Transfers		-	(394,193)	394,193	-	-
Net movement in funds		17,427	-	394,193	411,620	21,407
Reconciliation of funds						
Total funds brought forward		84,451	-	2	84,453	63,046
Total funds carried forward		<u>101,878</u>	<u>-</u>	<u>394,195</u>	<u>496,073</u>	<u>84,453</u>

The statement of financial activities includes all gains and losses in the year. All incoming resources and resources expended derive from continuing activities.

MINIK KARDES DAY NURSERY LTD
(PRIVATE COMPANY LIMITED BY GUARANTEE)

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BALANCE SHEET
AS AT 31 MARCH 2006

	<u>Notes</u>	<u>2005/06</u>		<u>2004/05</u>	
		£	£	£	£
Fixed Assets					
Tangible assets	7	394,195			2
Current Assets					
Debtors	8	27,015		41,141	
Cash at bank and in hand		<u>112,241</u>		<u>78,148</u>	
		139,256		119,289	
Creditors: amounts falling due within one year	9	<u>(37,378)</u>		<u>(34,838)</u>	
Net current assets		<u>101,878</u>		<u>84,451</u>	
Total assets less current liabilities		<u><u>496,073</u></u>		<u><u>84,453</u></u>	
The funds of the charity:					
Endowment - functional fixed assets fund	10	394,195			2
Unrestricted income funds:					
- general fund	11	76,878		59,451	
- designated fund	11	<u>25,000</u>		<u>25,000</u>	
		<u><u>496,073</u></u>		<u><u>84,453</u></u>	

The Company has prepared accounts in accordance with the Special Provisions of Part VII of the Companies Act 1985 relating to small entities.

Approved by the management committee on 9 September 2006 and signed on their behalf.


Filiz Osman
Trustee & Company Director

MINIK KARDES DAY NURSERY LTD
(PRIVATE COMPANY LIMITED BY GUARANTEE)
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2006

Accounting Policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

Basis of Accounting

The financial statements are prepared under the historical cost convention and in accordance with the Companies 1985 and the Statement of Recommended Practice: 'Accounting and Reporting by Charities issued in March 2005.

Fund Accounting

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

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

(a) Grants & Nursery Fee Subsidies

Grants receivable and nursery fee subsidies are included in full in the Statement of Financial Activities when receivable. Where grants received are for a specific purpose and the corresponding expenditure has not been incurred an element of the grant is deferred and carried forward.

(b) Nursery Fees

Nursery fees are included in the Statement of Financial Activities on a receipt basis.

(c) Donations & Other Income

All donations and other income, including interest receivable are accounted for when receivable.

Resources Expended

Expenditure is recognised on an accrual basis as the liability is incurred, including VAT which is unrecoverable and is reported as part of the expenditure to which it relates.

Charitable expenditure comprises the costs incurred by the charity in the delivery of its activities and services for its beneficiaries.

Management and administration expenditure includes those costs associated with meeting the constitutional and statutory requirements of the charity and includes the audit fees and costs linked to the strategic management of the charity.

Tangible Fixed Assets for use by the charity and depreciation

Tangible fixed assets for use by the charity are stated at cost less depreciation.

Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

- freehold buildings - 2% straight line
- computer equipment - 25% straight line basis
- office equipment - 25% straight line basis

MINIK KARDES DAY NURSERY LTD
(PRIVATE COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006

	2005/06 £	2004/05 £
1 Grants receivable		
L B Hackney	-	44,860
AFA Eng Jnt Pot	4,960	-
L B Islington - Lifelong learning	-	1,567
Learning Trust	42,000	-
GAP grants	19,318	19,365
NEG grants	28,095	11,928
L B Islington - Surestart	-	4,115
L B Islington - Outreach	10,536	-
L B Islington Cripplegate - Development Outreach	18,750	25,000
L B Islington Cripplegate - QW	3,049	-
L B Islington - Family Support Outreach	-	13,755
L B Islington - Training/Course	-	2,000
L B Islington - Maternity grant	-	2,871
L B Islington - Turkish Classes	3,333	-
L B Islington - Sustainability	6,543	-
L B Islington - Turkish Club	833	-
L B Islington - C A P	12,240	-
New Opportunity Fund	303,292	18,044
London Development Agency	85,000	-
Lloyds TSB	6,630	-
Islington Childcare Trust	2,500	-
L B Islington - NNI	8,050	3,500
Learning Trust - NNI	24,000	-
NRC Chest	-	5,000
Local Network Fund	-	6,668
Help A London Child	-	1,500
Other sundry grants	4,003	2,489
	<u>583,132</u>	<u>162,661</u>
Add: Deferred grants brought forward:		
London Borough of Islington - Outreach	-	12,500
Cripplegate - Development	6,250	5,470
London Borough of Islington - NNI	1,750	-
	<u>591,132</u>	<u>180,631</u>
Less: Deferred grants carried forward:		
Cripplegate - Development	-	(6,250)
L B Islington - C A P	(10,400)	-
London Borough of Islington - NNI	-	(1,750)
	<u>580,732</u>	<u>172,631</u>
2 Fundraising & other income		
Donations and gifts	20,151	19,922
Other	1,233	20,816
	<u>21,384</u>	<u>40,738</u>
3 Direct charitable expenditure		
Staff costs	241,357	223,204
Nursery running costs	41,652	66,038
Depreciation	8,421	8,979
	<u>291,430</u>	<u>298,221</u>
4 Management & administration costs		
Staff costs	-	-
Other	5,428	4,213
	<u>5,428</u>	<u>4,213</u>

MINIK KARDES DAY NURSERY LTD
(PRIVATE COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006

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2005/06
£ **2004/05**
£

5 Net movement in funds for the year

The net movement in funds for the year
is stated after charging:

Depreciation -owned assets	8,420	-
Audit fees	2,250	2,000

6 Staff costs

Wages and salaries	223,234	208,927
Employers national insurance	18,123	14,277

	241,357	223,204
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The average number of staff employed during the year
were as follows:

Direct charitable employees	18	16
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7 Tangible fixed assets

Cost

	Freehold Property	Property Improv £	Office Equipment £	Total £
At 1 April 2005	-	37,245	12,475	49,720
Additions	401,011	-	1,603	402,614
Written off	-	(37,245)	-	(37,245)
At 31 March 2006	401,011	-	14,078	415,089

Depreciation

At 1 April 2005	-	37,244	12,474	49,718
Charge in year	8,020	-	400	8,420
Written off	-	(37,244)	-	(37,244)
At 31 March 2006	8,020	-	12,874	20,894

Net book value

At 31 March 2006	392,991	-	1,204	394,195
At 31 March 2005	-	1	1	2

2005/06
£ **2004/05**
£

8 Debtors

Amounts due within one year:

Accrued income	24,000	30,113
Other debtors	3,015	11,028
	27,015	41,141

9 Creditors

Amounts falling due within one year:

Deferred grants	10,400	8,000
Other taxation & social security	-	-
Other creditors	26,977	26,838
	37,377	34,838

MINIK KARDES DAY NURSERY LTD
(PRIVATE COMPANY LIMITED BY GUARANTEE)
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2006

	2005/06 £	2004/05 £		
10 Endowment fund				
Functional fixed asset reserve:				
Balance at 1 April 2005	2	8,981		
Net movement in funds	394,193	(8,979)		
Balance at 31 March 2006	<u>394,195</u>	<u>2</u>		
11 Unrestricted reserves				
Staff & Maternity Fund:				
Balance at 1 April 2005	25,000	25,000		
Net movement in funds	-	-		
Balance at 31 March 2006	<u>25,000</u>	<u>25,000</u>		
General fund:				
Balance at 1 April 2005	59,451	29,065		
Net movement in funds	17,427	30,386		
Balance at 31 March 2006	<u>76,878</u>	<u>59,451</u>		
12 Restricted reserves:				
Grants fund				
Balance at 1 April 2005	-	-		
Net movement in funds	-	-		
Balance at 31 March 2006	<u>-</u>	<u>-</u>		
12 Analysis between fund balances	<u>Unrestricted</u> <u>Funds</u>	<u>Restricted</u> <u>Funds</u>	<u>Endowment</u> <u>Funds</u>	<u>Total</u>
	£	£	£	£
Tangible fixed assets	-	-	394,195	394,195
Net current assets	101,878	-	-	101,878
	<u>101,878</u>	<u>-</u>	<u>394,195</u>	<u>496,073</u>

13 Section 37 of the Local Government & Housing Act

The grants receivable for the year were expended for the purpose for which they were awarded.

The underspend in the year shown on page 5, is carried forward for future use.

14 Transactions with management committee members

No remuneration is payable to management committee members. Any transactions involving management committee members were carried out in the normal course of activities of the charity.