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Charity number: 1080953  
Company number: 3985540

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2008**

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**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

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**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**LEGAL AND REFERENCE INFORMATION**

**Charity number** 1080953

**Company registration number** 3985540

**Business address** Moorland Retreat  
Bonnaford  
Brentor  
Tavistock  
PL19 0LX

**Registered office** Moorland Retreat  
Bonnaford  
Brentor  
Tavistock  
PL19 0LX

**Trustees** Marion Ruth Luckhurst (Chairperson)  
Kenneth William George Cherrett  
Larry Russell William File  
Barry Kevin Stamp  
Arpita Ghosal  
Robert Felton Mulliner  
Debbie Jane Provan  
John Gilchrist Stewart  
Raymond Reginald Miles  
John David Willis

**Secretary** Roy Endacott

<b>Management</b>	Roy Endacott	Chief Executive
	Rod Webb-Taylor	Head of Operations
	Mrs Elanor Hoskin	Head of fundraising
	Mrs Nicola Quirk	Head of Finance

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**LEGAL AND REFERENCE INFORMATION**

**Auditors**

Winter Rule  
Lowin House  
Tregolls Road  
Truro  
Cornwall  
TR1 2NA

**Bankers**

Barclays Bank Plc  
PO Box 330  
3 Bedford Street  
Exeter  
EX1 1ZN

**Solicitors**

Parnalls Solicitors  
13-19 Westgate Street  
Launceston  
Cornwall  
PL15 7AB

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2008**

The trustees present their report and the financial statements for the year ended 31 December 2008. The trustees, who are also directors for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

**Structure, governance and management**

*Governing document and constitution*

The organisation is a charitable company limited by guarantee, incorporated on 4 May 2000.

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.

The charitable company is often known and referred to by the name CHICKS.

*Management structure*

The Trustees meet at least four times a year (plus an AGM) to provide governance; to progress the aims of the Charity; to review financial matters; to approve proposals; and to discuss forward strategy.

Trustees are recruited through individual recommendations made by both staff and existing board members or by individuals approaching the charity. Potential Trustees are then invited to attend a formal interview where the Board can assess the candidate's suitability. The Trustees seek to ensure that the Board contains individuals with the necessary expertise to manage all aspects of the Charity.

New trustees are subjected to an informal induction process and thereafter training is provided on demand, as required for the satisfactory performance of an individuals duties.

*Risks to the Charity*

The significant risks to the Charity have been identified and documented for assessment. The Trustees and Management review all potential risks to the Charity from disaster management to the effective use of personnel and material resources.

The implementation of a comprehensive fundraising audit identifies any significant risks that may affect the Charity's income streams on an annual basis. The Trustees believe that establishing a level of Reserves equivalent to six-months trading will provide sufficient resources to withstand any short-term adverse trading conditions the Charity may encounter.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**Objectives and activities**

*Main objects*

The charity is based on Christian principals and has the following mission statement:

- \* To be perceived as a premiere charity providing respite breaks and support for, and the development of, disadvantaged children.
- \* To develop a culture of caring and service within the organisation.
- \* To take all necessary steps to ensure controlled and effective national growth.
- \* To recognise the importance of donors to its success by continuing to increase and broaden its donor base and to encourage the expansion of 'Friends of CHICKS' throughout the UK.
- \* To use information technology to expand and broaden the Charity's appeal within the UK and overseas.
- \* Operating within its available resources, to maximise the number of disadvantaged children who are able to enjoy the optimum in choice during their holiday.

*Strategic objective*

The key strategic objective for the charity remains to provide as many disadvantaged and underprivileged children as possible, aged 8 - 15, with a free respite break on an annual basis with the resources available. CHICKS has set itself a target of offering 1000 child places a year by 2010 and is on course to achieve this challenging goal. The Trustees are aware that the whole CHICKS experience is very much focused on each child being treated as an individual and therefore CHICKS provides a high adult to child ratio of 1:2 to ensure each child is well cared for. The Trustees will continue to ensure the quality of care provided is not compromised by chasing targets or numbers to the detriment of the children in our care.

CHICKS aims to continue to reach the most disadvantaged and vulnerable children in the UK, including those in care; those suffering poverty, illness or bereavement; child carers; victims of abuse and crime; and children whose parents are addicts. CHICKS has so far provided over 6000 children with a free respite break, filled with fun, in a safe environment where the children make new friends, undertake new experiences, grow in confidence, motivation and ambition, and leave with a increased sense of self worth.

The implementation of a five-year Fundraising Strategy aligned to the charity's operational strategy, provides a solid foundation that underpins CHICKS' plans to develop, expand and sustain its services over the coming years. CHICKS Board of Trustees remain focused on the task in hand, to help as many disadvantaged children as possible within the available resources, and this clarity has demonstrated to current and prospective supporters the Charity's motivation to deliver on its key objective. Within the current climate statements of intent are not enough to help the growing number of disadvantaged children who are often the unforeseen victims in such circumstances.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
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**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2008**

*Volunteers*

Volunteers continue to play a vital role in helping CHICKS meet its high standards of providing one adult for every two children during the planned activities. To ensure the safety of our children is protected and to ensure all legal obligations are fulfilled Criminal Record Bureau checks are undertaken on all volunteers before they are permitted to work with the children. The level of dedication shown by the volunteers, many of whom return year on year to assist with the children, is testament to the difference a week at CHICKS can make.

Additional teams of volunteers also assist the charity in many different ways. These include a team of gardeners who grow fresh vegetables in our very own garden for the children to enjoy each week, a team of fundraising volunteers who enthusiastically stuff envelopes full of Newsletters and information sheets on a regular basis to keep donors up to date with all CHICKS activities, and a committed band of volunteers who regularly attend/take part in sponsored runs, hops, skips and jumps, and many more fundraising events, to raise much needed funds for CHICKS.

In addition CHICKS is privileged to have a list of high profile celebrities who voluntarily support our work and help raise much needed funds.

*Health and Safety*

CHICKS takes all aspects of Health and Safety very seriously to both comply with legal requirements and to ensure a safe environment is maintained for all our children, staff, volunteers and visitors. Regular assessments and checks are carried out, working practices reviewed, records maintained, and opportunities provided for feedback/initiatives that identify areas for improvement.

*Related parties*

CHICKS has a wholly owned trading subsidiary called CHICKS (Trading) Limited. A company set-up to sell items using the name of CHICKS with all profits from trading being relinquished to the parent, in the pursuit of the charity's charitable objectives.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**Achievements and performance**

The Trustees are pleased to report that in 2008 more children than ever before were provided with a free respite break at CHICKS. The solid foundations that have been established over many years, including the physical growth and purchase of our two residential centres at Brentor in Devon and Tywardreath in Cornwall, combined with the skilled and experienced team of staff, and the continued support of our committed donors, have all contributed to this success of offering more child places than ever before.

Fundraising again topped the £1 million income total for the second time in the charities history. This proved to be a challenging year with the current turmoil in the financial markets. However, the continued support of CHICKS committed individual donors, a stronger than predicted rise in trust fundraising and the continued support from the corporate sector all contributed to this excellent result. Expenditure increased in line with the budget to allow for an additional 200 child places to be offered over the previous year, as well as the continuation of upgrading the services available at our two centres in preparation to reach our target of 1000 child places a year by 2010.

Reserves maintained a healthy balance throughout the year and it is the Trustees intention to hold at least six months operating reserves to strengthen the financial standing of the Charity.

No new Trustees were appointed to the Board during the year. However, the Board of Trustees continue to review the skill set of its members and where opportunities arise to appoint additional new members these will be evaluated against the Board's requirements.

The growth of CHICKS over recent years is testament to the need for this much sought after service and the strong support provided by an ever expanding supporter base is very encouraging. To ensure this growth is sustained in the future additional members of staff have been and will be recruited to assist in the delivery of the strategic plan of offering 1000 child places a year by 2010.

CHICKS currently has a £200,000 loan outstanding from Charity Bank in connection with the purchase of its second centre at Moorland Retreat, in Brentor, Tavistock, Devon. A proportion of the loan was paid off in 2008 and it remains the Trustees intention to repay this loan in full as soon as funds allow.

The Charity's operational success continued in 2008 with respite breaks taking place at both the Devon and Cornwall centres. The professional manner in which these camps are run remains a high priority, as does the ongoing training of the well established and motivated supervisory team. Key members of staff remain in the employ of the Charity, retaining valuable skills and experience.

Over 800 free child places were offered to referral agents throughout 2008. One of the main problems for referral agents in previous years, in connection with booking children on a CHICKS break, had been transport arrangements. In 2008 Crosscountry Trains very generously offered free child tickets to all CHICKS children travelling on their west coast line from any station between Edinburgh to Penzance. One issue that is still causing concern is the number of last minute cancellations, where children fail to turn up for a CHICKS break. This remains an important issue to try and resolve.

Contact with the children, after their break, remains an important aspect of CHICKS' work. A fun and informative newsletter keeps the children in touch with the Charity's activities and the free post envelope service offered to the children continues to be monitored and is well used with annual numbers rising.

Feedback from children, referral agents and volunteers remained very positive. 800 Christmas presents were also wrapped and posted out to the children who had visited CHICKS this year.

The national profile of CHICKS continues to grow with increased activities and exposure in many areas including London, Manchester, Birmingham and Scotland to name but a few.



**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
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**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**Financial review**

2008 proved to be a challenging year given the uncertain economic climate for fundraising and the increase in the number of child places offered. The positive level of income generation experienced, coupled with tight control levels over expenditure, resulted in positive performance figures. Income exceeded a million pounds for the second time in the charity's history to stand at £1,154,341, whilst expenditure levels rose on previous years to £1,105,689 to allow for a proportion of the outstanding loan to be repaid and an increase in the number of child places offered.

Designated funds in the sum of £65,000 have been used to help pay the holiday wages for the year and fund the purchase of a vehicle.

Prudent control over the budget enabled the operating reserves to be maintained. The reserves will be held as a buffer against any future downturn in income and any additional surpluses will be used to repay the loan on the centre at Moorland Retreat and increase the number of child places offered.

All monies that are not needed to cover expenditure in the short term are held in Business Deposit Accounts in order to achieve a reasonable level of interest income therefrom.

CHICKS (Trading) Limited generated a profit for the year ended 31 December 2008 of £3,683. These funds will be used by that company in order to maintain operations.

**Plans for future periods**

CHICKS' objective of offering 1000 disadvantaged children a free respite break on an annual basis by 2010 remains on course and plans are in place to expand both the operations and fundraising teams during 2009 to meet this challenging goal. Over 800 child places will again be made available during 2009 in line with the strategic plan.

Building long-term relationships with the children is an important aspect of the Charity's work that can easily be overlooked. Each child is given a free-post envelope when they depart and any child that writes will get a personal reply with an additional free-post envelope included. A Children's Newsletter is currently sent to all the children that visit CHICKS on an annual basis and plans are afoot that will allow CHICKS to maintain this contact with the children until they reach the age of 18 - when they can come back as volunteers, which some have already done.

CHICKS is about to enter into a three year research project with Exeter University that will measure the outcomes and benefits to the children we help. Quantifying the benefits and measuring the outputs by an independent organisation will provide a positive endorsement of the charity's work. Another research project that is also taking place will be looking at the volunteering opportunities created and serviced by CHICKS. Additional benefits that are also being considered for further research work are the impact on the local community where the charity operates including the purchase of goods and services and employment opportunities offered in remote rural locations.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
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**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2008**

The sub-committees that were established in 2008 have proved very successful and will be continued in 2009. These sub-committees report directly to the Board and each committee takes responsibility for the development of a given area within the charity i.e. Fundraising and Development, Operations and Finance. The sub-committees are required to seek Board approval for any issues affecting the Strategic direction of the Charity or on any issues of governance.

In serving the growing national requirement, the Trustees intend to establish at least another two CHICKS centres in the UK over the coming years. However, these plans will only be developed as and when sustainable income sources have been established.

The current outstanding loan, in connection with the purchase of our Moorland Retreat, will be reviewed in 2009 and reduced if possible in line with available resources. It is, however, the Trustees' desire to repay the entire loan as soon as possible when sufficient funds are available.

The current economic climate highlights the need for CHICKS to monitor our own performance very closely. The need to maximise all available income streams and keep prudent control over expenditure is essential if CHICKS is to meet the challenges that lie ahead and assist the many disadvantaged children that need our help. CHICKS is looking to continue to expand the charity's work throughout the UK and to assist in this process a new lease agreement on an office in Scotland has just been agreed for 2009.

Controlling costs and ensuring every aspect of the charity's work is run as efficiently as possible remains an important task. Planning permission has just been granted to install solar panels at the Devon Retreat and funding is now being sought for this work to be undertaken.

To ensure we provide the best possible experience for both the children and volunteers who work with the children we aim to expand the number of bedrooms available from the current dormitory style bunk-bed accommodation. This remains a long-term goal and can only be achieved as funds become available to expand/renovate the existing premises.

**Statement as to disclosure of information to auditors**

In so far as the trustees are aware:

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES (INCORPORATING THE DIRECTORS' REPORT)  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**Statement of trustees' responsibilities**

The trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the surplus or deficit of the charity for that period. In preparing these 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; 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 the charity and which 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

**Auditors**

A resolution proposing that Winter Rule be reappointed as auditors of the charity will be put to the Annual General Meeting.

**Small company provisions**

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

On behalf of the board



**Secretary**

Date: 17/04/09

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF  
COUNTRY HOLIDAYS FOR INNER CITY KIDS**

We have audited the financial statements of Country Holidays for Inner City Kids for the year ended 31 December 2008 which comprise the statement of financial activities, the balance sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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 the trustees and auditors**

The trustees' (who are also directors for the purposes of company law) responsibilities for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the statement of trustees' responsibilities.

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, and whether the information given in the trustees' report is consistent with the financial statements. We also report to you if, in our opinion, the charitable 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 trustees' remuneration and other transactions is not disclosed.

We read other information contained in the annual report, and consider whether it is consistent with the audited financial statements. This other information comprises only the trustees' report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

**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 charitable 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 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.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**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 charitable company's affairs as at 31 December 2008 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; and
  
- the information given in the trustees' report is consistent with the financial statements.

*Winter Rule*

**Winter Rule  
Chartered Accountants and  
Registered Auditors**

Date: *1/5/08*

**Lowin House  
Tregolls Road  
Truro  
Cornwall  
TR1 2NA**

**COUNTRY HOLIDAYS FOR INNER CITY KIDS**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating the income and expenditure account)**

**FOR THE YEAR ENDED 31 DECEMBER 2008**

	Notes	Unrestricted funds £	Restricted funds £	2008 Total £	2007 Total £
<b>Incoming resources</b>					
Incoming resources from generating funds:					
Voluntary income	2	760,753	298,081	1,058,834	1,206,773
Activities for generating funds	3	82,709	-	82,709	71,277
Investment income	4	11,924	-	11,924	12,116
Income from trading subsidiaries	5	-	-	-	48,500
Other incoming resources		874	-	874	920
<b>Total incoming resources</b>		<u>856,260</u>	<u>298,081</u>	<u>1,154,341</u>	<u>1,339,586</u>
<b>Resources expended</b>					
Costs of generating funds:					
Fundraising, publicity and information	6	278,441	246	278,687	200,435
Charitable activities	7	544,476	265,866	810,342	621,262
Governance costs	9	16,660	-	16,660	22,590
<b>Total resources expended</b>		<u>839,577</u>	<u>266,112</u>	<u>1,105,689</u>	<u>844,287</u>
<b>Net incoming resources before transfers</b>		16,683	31,969	48,652	495,299
Transfer between funds		<u>1,464</u>	<u>(1,464)</u>	<u>-</u>	<u>-</u>
<b>Net movement in funds/Net income for the year</b>		18,147	30,505	48,652	495,299
Total funds brought forward		<u>868,407</u>	<u>1,017,436</u>	<u>1,885,843</u>	<u>1,390,544</u>
<b>Total funds carried forward</b>		<u>886,554</u>	<u>1,047,941</u>	<u>1,934,495</u>	<u>1,885,843</u>

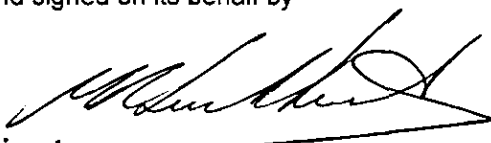
**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**BALANCE SHEET  
AS AT 31 DECEMBER 2008**

	Notes	£	2008 £	£	2007 £
<b>Fixed assets</b>					
Tangible assets	14		1,457,195		1,450,191
Investments	15		1		1
			<u>1,457,196</u>		<u>1,450,192</u>
<b>Current assets</b>					
Stocks		14,000		-	
Debtors	16	74,590		191,191	
Cash at bank and in hand		610,323		553,636	
		<u>698,913</u>		<u>744,827</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(27,733)</u>		<u>(16,452)</u>	
<b>Net current assets</b>			<u>671,180</u>		<u>728,375</u>
<b>Total assets less current liabilities</b>			2,128,376		2,178,567
<b>Creditors: amounts falling due after more than one year</b>	18		<u>(193,881)</u>		<u>(292,724)</u>
<b>Net assets</b>			<u>1,934,495</u>		<u>1,885,843</u>
<b>Funds</b>	19				
Restricted income funds			1,047,941		1,017,436
Unrestricted income funds			886,554		868,407
<b>Total funds</b>			<u>1,934,495</u>		<u>1,885,843</u>

The financial statements are prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007).

The financial statements were approved by the Board on 17 April 2009  
and signed on its behalf by

  
Director

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**1. Accounting policies**

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

**1.1. Basis of accounting**

The financial statements are prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2007), the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Companies Act 1985.

**1.2. Basis of consolidation**

The charity is exempt from preparing consolidated accounts as the results of the subsidiary undertaking are not material to the group.

**1.3. Fund accounting**

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objects. Unrestricted funds include a fund designated by the trustees for the acquisition of fixed assets and wages during the year.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular purpose.

Restricted funds are only ever transferred into unrestricted funds where such a transfer has been specifically allowed by the donor.

**1.4. 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:

Income from donations and grants, including capital grants, is included in incoming resources when these are receivable, except when donors specify that these must be used in future accounting periods, the income is deferred to those periods.

The charity receives substantial help from volunteers, however no attempt is made to place financial value on these services. Assets donated to the charity are capitalised at the cost it is estimated the charity would have incurred if the asset were purchased.

Investment income is accounted for in the period in which the charity is entitled to receipt.



**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
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**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**1.5. Resources expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates. Resources expended are allocated to the particular activity to which the cost mainly relates.

Cost of generating funds are those costs incurred in attracting voluntary income together with those costs incurred in holding fundraising events.

Charitable activities comprise expenditure associated with the cost of running holidays in accordance with its charitable objectives, and include both the direct costs and support costs relating to these activities.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Where costs are felt by the trustees to be multi-purpose and thus contribute to more than one activity they are split on an equal basis between the activities unless there is a more appropriate mode of apportionment, to be decided on case by case basis.

**1.6. Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation. Tangible fixed assets costing more than £2,000 are capitalised and included at cost including any incidental costs of acquisition. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows:

Freehold property (excluding land)	2% straight line
Holiday equipment	- 25% reducing balance
Office equipment and fixtures	- 25% reducing balance
Motor vehicles	- 25% reducing balance

**1.7. Investments**

The investment held in CHICKS (Trading) Limited is shown as a fixed asset and included at the nominal value of the shares purchased.

**1.8. Stock**

Stock is valued at the lower of cost and net realisable value.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2008**

**2. Voluntary income**

	Unrestricted funds £	Restricted funds £	2008 Total £	2007 Total £
Donations	752,253	194,844	947,097	934,773
Legacies	8,500	-	8,500	272,000
Grants receivable	-	103,237	103,237	-
	<u>760,753</u>	<u>298,081</u>	<u>1,058,834</u>	<u>1,206,773</u>

**3. Activities for generating funds**

	Unrestricted funds £	2008 Total £	2007 Total £
Fundraising events	77,117	77,117	71,277
Sale of services to CHICKS (Trading) Limited	5,592	5,592	-
	<u>82,709</u>	<u>82,709</u>	<u>71,277</u>

**4. Investment income**

	Unrestricted funds £	2008 Total £	2007 Total £
Bank interest receivable	11,894	11,894	12,116
Other interest receivable	30	30	-
	<u>11,924</u>	<u>11,924</u>	<u>12,116</u>

**5. Trading subsidiaries**

The charity controls the company listed below by virtue of holding the whole equity share capital: -

Name of subsidiary	Country of incorporation	Class of share held	Amount of share capital held
CHICKS (Trading) Limited	England and Wales	Ordinary	100%

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**5. Trading Subsidiaries (continued)**

**CHICKS (Trading) Limited**

CHICKS (Trading) Limited operates a number of commercial ventures under the name of CHICKS.

**Summary of trading results**

	2008 £	2007 £
<b>Turnover</b>	54,710	50,000
Total expenditure	(51,027)	(1,255)
<b>Net profit for the year</b>	3,683	48,745
Amount gift-aided to the charity	-	(48,500)
<b>Retained profit</b>	3,683	245

The assets and liabilities of CHICKS (Trading) Limited were:

Assets	6,179	1,258
Liabilities	(2,238)	(1,000)
<b>Funds</b>	3,941	258

During this year CHICKS (Trading) Limited set up an online shop and so all of the expenditure in the year is in relation to that. Subsequently there has been no donation to CHICKS charitable company in 2008.

**6. Fundraising, publicity and information**

	Unrestricted funds £	Restricted funds £	2008 Total £	2007 Total £
Fundraising events	278,441	246	278,687	200,435
	278,441	246	278,687	200,435

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**7. Costs of charitable activities - by fund type**

	Unrestricted funds £	Restricted funds £	2008 Total £	2007 Total £
Provision of holidays	544,476	265,866	810,342	621,262
	<u>544,476</u>	<u>265,866</u>	<u>810,342</u>	<u>621,262</u>

**8. Costs of charitable activities - by activity**

	Activities undertaken directly £	Support costs £	2008 Total £	2007 Total £
Provision of holidays	654,942	155,400	810,342	621,262
	<u>654,942</u>	<u>155,400</u>	<u>810,342</u>	<u>621,262</u>

**9. Governance costs**

	Unrestricted funds £	2008 Total £	2007 Total £
Accountancy fees	2,537	2,537	2,086
Auditor remuneration	2,000	2,000	1,900
Cost of trustees' meetings	-	-	184
Loan interest	12,123	12,123	18,420
	<u>16,660</u>	<u>16,660</u>	<u>22,590</u>

**10. Net incoming resources for the year**

	2008 £	2007 £
Net incoming resources is stated after charging:		
Depreciation and other amounts written off tangible fixed assets	52,142	48,844
Auditors' remuneration	<u>2,000</u>	<u>1,900</u>
and after crediting:		
Profit on disposal of tangible fixed assets	<u>336</u>	<u>-</u>

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**11. Employees**

<b>Employment costs</b>	<b>2008 £</b>	<b>2007 £</b>
Wages and salaries	579,392	439,189
Recruitment	9,525	-
	<u>588,917</u>	<u>439,189</u>

No employee received emoluments of more than £60,000 (2007: None).

**Number of employees**

The average monthly numbers of employees during the year, calculated on the basis of full time equivalents, was as follows:

	<b>2008 Number</b>	<b>2007 Number</b>
Fundraising	8	5
Direct holiday staff	19	13
Administration	3	3
	<u>30</u>	<u>21</u>

**12. Trustees' emoluments**

No trustee received emoluments of any kind for their services during the year and no trustees were reimbursed for out of pocket expenses (2007: £Nil).

**13. Taxation**

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts.

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14. Tangible fixed assets	Land and buildings freehold £	Holiday equipment £	Office equipment and fixtures £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2008	1,439,528	52,282	38,512	76,344	1,606,666
Additions	52,063	-	2,047	6,000	60,110
Disposals	-	-	-	(2,050)	(2,050)
At 31 December 2008	<u>1,491,591</u>	<u>52,282</u>	<u>40,559</u>	<u>80,294</u>	<u>1,664,726</u>
<b>Depreciation</b>					
At 1 January 2008	77,495	38,942	18,342	21,696	156,475
Charge for the year	29,832	3,335	5,554	13,421	52,142
On disposals	-	-	-	(1,086)	(1,086)
At 31 December 2008	<u>107,327</u>	<u>42,277</u>	<u>23,896</u>	<u>34,031</u>	<u>207,531</u>
<b>Net book values</b>					
At 31 December 2008	<u>1,384,264</u>	<u>10,005</u>	<u>16,663</u>	<u>46,263</u>	<u>1,457,195</u>
At 31 December 2007	<u>1,362,033</u>	<u>13,340</u>	<u>20,170</u>	<u>54,648</u>	<u>1,450,191</u>

15. Fixed asset investments	Subsidiary undertakings shares £	Total £
<b>Cost</b>		
At 1 January 2008 and At 31 December 2008	<u>1</u>	<u>1</u>

All fixed asset investments are held within the United Kingdom.

16. Debtors	2008 £	2007 £
Amounts due from subsidiary undertaking	1,203	-
Other debtors	73,387	191,191
	<u>74,590</u>	<u>191,191</u>

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**17. Creditors: amounts falling due  
within one year**

	2008	2007
	£	£
Bank loan	17,983	9,417
Other creditors	5,955	7,035
Deferred income	3,795	-
	<u>27,733</u>	<u>16,452</u>

The bank loan due within and over one year is secured by a first fixed legal charge dated 24 April 2006, over the freehold interest in the Bonnaford property.

**18. Creditors: amounts falling due  
after more than one year**

	2008	2007
	£	£
Bank loan	<u>193,881</u>	<u>292,724</u>
Included above and repayable in five years or more	<u>113,030</u>	<u>248,693</u>

**19. Analysis of net assets between funds**

	Unrestricted funds £	Restricted funds £	Total funds £
Fund balances at 31 December 2008 as represented by:			
Tangible fixed assets	477,206	979,989	1,457,195
Investment assets	1	-	1
Stock	14,000	-	14,000
Debtors	74,590	-	74,590
Cash at bank and in hand	542,371	67,952	610,323
Current liabilities	(27,733)	-	(27,733)
Long-term liabilities	(193,881)	-	(193,881)
	<u>886,554</u>	<u>1,047,941</u>	<u>1,934,495</u>

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**20. Unrestricted funds**

	At 1 January 2008 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2008 £
Unrestricted fund	803,407	856,260	(774,577)	1,464	886,554
Designated fund - other	65,000	-	(65,000)	-	-
	<u>868,407</u>	<u>856,260</u>	<u>(839,577)</u>	<u>1,464</u>	<u>886,554</u>

**Purposes of unrestricted funds**

The designated fund represents monies received from an anonymous donor in the prior year. It has been used as specified in the prior year by the trustees for the purchase of a vehicle and to help with the payment of the holiday wages incurred during the year.



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**21. Restricted funds**

	At 1 January 2008 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 December 2008 £
Holiday and office equipment, playground etc	11,339	-	(2,835)	-	8,504
Appeal for Coastal Retreat	383,664	-	(7,673)	-	375,991
Appeal for Moorland Retreat	550,529	-	(11,010)	-	539,519
Barn development	56,424	6,398	(8,190)	-	54,632
Premises and equipment costs	15,000	5,427	(6,886)	-	13,541
Holiday running costs	480	278,956	(224,660)	-	54,776
Christmas present fund	-	7,300	(4,612)	(2,188)	500
Raffle prizes	-	-	(246)	724	478
	<u>1,017,436</u>	<u>298,081</u>	<u>(266,112)</u>	<u>(1,464)</u>	<u>1,047,941</u>

**Purposes of restricted funds and reasons for transfers**

Holiday equipment, playground etc - this fund is to purchase playground and holiday equipment.

Appeal for Coastal Retreat - this fund was set up to fund the purchase of Coastal Retreat.

Appeal for Moorland Retreat - this fund was set up to fund the purchase of Moorland Retreat.

Barn development - this fund was set up to fund the barn development at Moorland Retreat.

Premises and equipment costs - this fund is used to fund new equipment such as minibuses. A transfer was made from unrestricted funds to cover excess expenditure in the year.

Holiday running costs - this fund has been set up to fund various holiday camps for children.

Christmas present fund - this fund is to be used for the purchase of presents for children. One of the donors has specified that any monies remaining can be spent without restriction. Hence part of the balance has been transferred to unrestricted funds.

Raffle prizes - these funds are to be used to purchase prizes for raffles held.

**22. Related party transactions**

During the year the charitable company provided accountancy services and recharged rent and rates to its wholly owned subsidiary CHICKS (Trading) Limited in the sum of £5,592. Additionally it paid an accountancy fee on behalf of the subsidiary of £1,175 and the subsidiary received donations on behalf of the charitable company of £28. At the year end the charitable company was owed £1,203 by its subsidiary in respect of these transactions and this amount is included in debtors due within one year.

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**23. Company limited by guarantee**

Country Holidays for Inner City Kids is a company limited by guarantee and accordingly does not have any share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.