

Registered number: 03985540
Charity numbers: 1080953 and SCO40536

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

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2011



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

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The following pages do not form part of the statutory financial statements

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 DECEMBER 2011**

Trustees

Manon Ruth Luckhurst
Kenneth William George Cherrett
Barry Kevin Stamp
Arpita Ghosal
Robert Felton Mulliner
John Gilchrist Stewart
Raymond Reginald Miles (resigned 6 May 2011)
John Willis (resigned 6 May 2011)
Russell Kenneth Moore (appointed 25 July 2011)

Company registered number
03985540

Charity registered numbers
1080953 and SCO40536

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

Company secretary
Elanor Hoskin

Chief executive officer
Elanor Hoskin

Auditors
Bishop Fleming, 50 The Terrace, Torquay, Devon, TQ1 1DD

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

Solicitors
Parnalls Solicitors, 15-19 Westgate Street, Launceston, Cornwall, PL15 7AB

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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2011**

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 Country Holidays for Inner City Kids (the company and the group) for the year ended 31 December 2011. The Trustees confirm that the Annual report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. CONSTITUTION

The company and the group is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 4 May 2000.

The company and the group is constituted under a Memorandum of Association dated 4 May 2000 and is a registered charity number 1080953.

The principal object of the company and the group is to provide respite breaks for children.

b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES

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' objective is to ensure that the Board contains individuals with the necessary expertise to manage all aspects of the Charity.

c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

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

d. ORGANISATIONAL STRUCTURE AND DECISION MAKING

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

e. RISK MANAGEMENT

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.

OBJECTIVES AND ACTIVITIES

a. POLICIES AND OBJECTIVES

The Charity has the following mission statement:

To offer free respite breaks to underprivileged and disadvantaged children and young carers nationally, irrespective of race, colour or creed.

To focus these breaks on fun and friendship in a family atmosphere of care and trust, within the boundaries of safety and duty of care, empowering the development of self-esteem and self-confidence with respect, encouragement and praise.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

b. STRATEGIES FOR ACHIEVING OBJECTIVES

The short-term strategic objective for the charity remains to be providing 1200 children a year with a free respite break in 2012 and the longer-term objectives identified require the charity to be operating a third retreat by 2015 with the view to fulfilling the 20 year vision of operating four retreats by 2020. As part of this planning process it is imperative that the charity is able to

- Provide free fun filled respite breaks that will provide the children we serve with positive happy memories and hope for the future
- Sustain the financial stability of the charity
- Raise the national profile and awareness of CHICKS
- Grow the number of volunteer supporters in line with the number of breaks provided
- Expand the number of referral agents from across the UK to extend the reach of children offered respite breaks
- Provide the highest quality, most beneficial breaks possible
- Maintain the quality of the respite break provided by CHICKS
- Strengthen CHICKS Case for Support across all communications
- Grow the number of supporters, across all income streams, year on year
- Maintain effective and appropriate communications with beneficiaries
- Continue to improve relationships and communication with key professional partners and stakeholders
- Continue to recruit, service and support a dedicated team of employees

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 within the resources available. 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 all forms of abuse and crime, and children whose parents are addicts. CHICKS has so far provided over 9000 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 an increased sense of self worth.

The implementation of a Fundraising Strategy aligned to the charity's operational strategy, has continued to provide a solid foundation that has underpinned CHICKS' plans to develop, sustain and expand its services. 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 of purpose has demonstrated to current and prospective supporters the Charity's determination to deliver on its key objective. Within the current economic climate statements of intent are not enough to help the growing number of disadvantaged children who are often the unforeseen victims in this difficult financial environment.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

PUBLIC BENEFIT

CHICKS has considered the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. CHICKS provides free respite breaks, at both its Moorland and Coastal Retreats, for disadvantaged children, aged between 8 and 15, from across the UK, regardless of race or religion. These children would not otherwise enjoy a break due to the deprived circumstances in which they find themselves.

CHICKS vision remains 'to give every disadvantaged child the opportunity to feel valued'. In so doing CHICKS is not only helping each individual child, but also society in general by helping to create a future generation with sound values and behaviours.

HEALTH AND SAFETY

CHICKS takes all aspects of Health and Safety very seriously, both to 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.

Incident reports are produced for any Health & Safety issues and these reports are regularly reviewed by the senior management team and Trustees.

RELATED PARTIES

CHICKS has a wholly owned trading subsidiary called CHICKS (Trading) Limited. A company setup 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.

c. 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 and references 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 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 magazines and information sheets on a regular basis to keep our supporters up to date with all CHICKS activities, and a committed band of volunteers who regularly attend/take part in sponsored runs, hikes and jumps, and many more fundraising events, to raise much needed funds for CHICKS.

ACHIEVEMENTS AND PERFORMANCE

a. REVIEW OF ACTIVITIES

The Trustees are pleased to report that in 2011 CHICKS provided over 1150 children with a free respite break. This included successfully providing, for the first time, two respite break camps at Christmas for children who needed a break away from their home lives over the festive period. The idea of providing respite break camps over the Christmas period came from members of our child supervisory team who work directly with the children on camp and recognized that there was a need for respite at what can be a difficult time for some families. Feedback from these camps has been very positive and we hope to repeat the Christmas camps again, finances permitting.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

The solid foundations that have been established over many years, including the physical growth and purchase of our two residential retreats 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 the continued success of assisting over 9000 disadvantaged children

CHICKS fundraising continued to top the £1 million mark for the fifth year in succession but at a time of national economic uncertainty this proved to be more difficult than in previous years and income was not at the level reached in 2010. Expenditure increased slightly in line with the planned budget to allow for the upgrading of facilities at Moorland Retreat to include an all-weather sports barn which was kindly funded by the Wooden Spoon, the children's charity of rugby. We also invested in solar panels funded by a grant from ATASS at our Moorland Retreat so that we can produce green energy and reduce our energy bills in future years.

Reserves reduced slightly throughout the year but it remains the Trustees' aspiration to hold at least six months' operating reserves to strengthen the financial standing of the Charity.

Two new Trustees joined the Board during the Year. Mark Duddridge, the Managing Director of Ginsters, joined in September 2011 and Morag McLintock joined in November 2011. Ray Miles and John Willis resigned from CHICKS Board of Trustees during the year. The Board of Trustees continues 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. The Charity's operational team continued their good work in 2011 with respite breaks taking place at both the Devon and Cornwall retreat. The professional manner in which these camps are run remains a high priority for the Charity.

There has been a change in the senior management team during the year and whilst one or two long standing staff have left the organisation we have retained key members of the team. We have also been able to strengthen our expertise through targeted recruitment thus boosting the skills and experience of the staff team. Over 1150 children received a free respite break in 2011, over 50 more than in 2010 and 350 more than in 2009. At a time of economic uncertainty this is a magnificent achievement and the ability to offer additional places to children who are most in need at this difficult time is testament to our generous supporters.

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 we have continued our free post envelope service which enables the children to write to the supervisory team, volunteers and other children. This service is vital in continuing long term contact with CHICKS children, it is monitored regularly and is well used with annual numbers rising. Feedback from children, referral agents and volunteers remained very positive. Over 1150 Christmas presents were also wrapped and were either posted out to the children who had visited CHICKS this year or delivered personally to the children on camp on Christmas day.

FINANCIAL REVIEW

2011 was a year of change and challenges for CHICKS. The economic climate continued to be uncertain, however income of £1,212,250 was achieved due to the dedication of the fundraising team. This was however under our planned forecast for the year.

Expenditure of £1,394,589 was an increase on 2010 which could be expected in due to rising costs of fuel, utility and food. There was also an increase in recruitment fees during the year due to some of the new management team being recruited. However the expenditure remained within the planned budgeted spend for the year and overall was less than the level of inflation.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

Reserves decreased during the year and at the year end stood at £1,791,488, which is within the Trustees new policy for 2012 of 2 to 6 months. As part of the budgeting process for 2012 the management team took a fresh look at the organisation and the need to take steps to secure the charity and its objectives. In the current climate it is important for all organisations to introduce efficiencies and for CHCKS this was key both to ensuring the short term objectives and the long term strategy of a new retreat in 2015 to increase the reach of the charity. It was also a challenging task as keeping the quality of the respite breaks was of paramount importance during the process.

As a result of the efficiency review the camps and organization have been restructured for 2012. This has led to redundancy costs of £4,060 being incurred in the final months of the year to ensure that the charity started 2012 on the right basis. Other measures have also been taken to minimize the monthly running costs.

Further controls on expenditure have been introduced throughout the year and will continue to be built on in 2012 to enable the operating reserves to be maintained and to minimize the impact of any future reduction in income.

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

FINANCIAL REVIEW

a. RESERVES POLICY

During 2011, the 2012 income plan was reviewed to identify areas where income may be at risk and the impact this would have on CHICKS. The Trustees believe that establishing a level of Reserves equivalent to between two and six months trading will provide sufficient resources to withstand any short term adverse trading conditions the Charity may encounter. This equates to between £207,000 and £622,000. At the year end, the charity had free reserves of £353,434.

PLANS FOR THE FUTURE

a. FUTURE DEVELOPMENTS

2012 marks the charity's 20th Anniversary and we plan to offer a further 1200 respite breaks this year bringing the total number of disadvantaged children helped by CHICKS to 10,000 by the end of 2012. As a charity we have been doing a lot of planning around how we can protect the children's free respite breaks from the current economic climate as the demand for our services increases.

We believe the economic climate has pushed many more children into poverty and the need for a CHICKS break is in demand now more than ever. As a charity we believe it is important to be able to maintain the number and quality of free respite breaks available. We have also had to balance this with the changes in the economic climate both in terms of fundraising and rising costs of fuel, food and energy and like all other charities in the third sector have had to look at making efficiencies.

The need for charities to be adaptable in the current climate is crucial and we have taken this into consideration when making the decision to change the running of our respite break camps from starting on a Thursday and finishing on a Tuesday, to starting on a Monday and finishing on a Friday. These changes will help reduce our expenditure in line with the income forecast for 2012 whilst still retaining the number of children we can help and the quality of care that we can offer.

We believe this is a diligent move reacting to the global situation to secure the charity for many years to come and at present will be in operation for 2012 with a review at the end of the year. Our strategy continues to be to open further retreats in line with our objectives and help even more disadvantaged children. These goals remain at the heart of the organisation and is what we are all striving to achieve.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2011**

CHICKS Board of Trustees are very aware of the need to build CHICKS capacity to deliver the longer term expansion plans of operating four retreats around the country by 2020. To ensure we can deliver the increased number of respite breaks that a third retreat will offer we have restructured the fundraising team to include the post of Business Development Manager. This role will primarily look at new sources of funding and develop long term relationships to increase the capacity of our fundraising income.

The three year research project with Exeter University, measuring the benefits to the children we help, is in its final year and progressing well with preliminary findings looking very positive. Quantifying the benefits and measuring the outputs through an independent organisation should provide a positive endorsement of the charity's work.

TRUSTEES' RESPONSIBILITIES STATEMENT

The Trustees (who are also directors of Country Holidays for Inner City Kids for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgments and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.


PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable group's auditors in connection with preparing their report and to establish that the charitable group's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 20 April 2012 and signed on their behalf, by


MARION RUTH LUCKHURST.

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

INDEPENDENT AUDITORS' 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 2011, set out on page 25. These financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 Auditors' 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

The Trustees' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out in the Trustees' responsibilities statement.

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 have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, have been prepared in accordance with the Companies Act 2006, and give a true and fair view. We also report to you whether in our opinion the information given in the Trustees' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the group has not kept adequate accounting records, if we have not received all the information and explanations we require for our audit, or if certain disclosures of Trustees' remuneration specified by law are not made.

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

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 judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and 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)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COUNTRY HOLIDAYS FOR INNER CITY KIDS

OPINION

In our opinion

- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities,
- the financial statements have been prepared in accordance with the Companies Act 2006,
- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2011 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended, and
- the information given in the Trustees' report is consistent with the financial statements



Pamela Tuckett FCA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming
Chartered Accountants
Statutory Auditors
50 The Terrace
Torquay
Devon
TQ1 1DD

28 May 2012

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

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account)
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	476,798	579,336	1,056,134	1,180,676
Activities for generating funds	3,4	-	145,273	145,273	162,066
Investment income		-	5,036	5,036	7,625
Other incoming resources	5	-	5,807	5,807	6,379
TOTAL INCOMING RESOURCES		476,798	735,452	1,212,250	1,356,746
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	6	-	325,264	325,264	368,232
Fundraising expenses and other costs	4	-	979	979	1,095
Charitable activities	8,9	455,809	603,102	1,058,911	972,499
Governance costs	7	-	9,435	9,435	12,138
TOTAL RESOURCES EXPENDED		455,809	938,780	1,394,589	1,353,964
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		20,989	(203,328)	(182,339)	2,782
Transfers between Funds	17	69	(69)	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		21,058	(203,397)	(182,339)	2,782
Total funds at 1 January 2011		1,039,957	933,870	1,973,827	1,971,045
TOTAL FUNDS AT 31 DECEMBER 2011		1,061,015	730,473	1,791,488	1,973,827

The notes on pages 13 to 25 form part of these financial statements

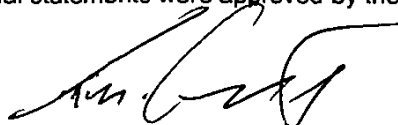
**COUNTRY HOLIDAYS FOR INNER CITY KIDS
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 03985540**

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2011**

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	12		1,466,719		1,433,838
CURRENT ASSETS					
Stocks		13,972		16,838	
Debtors	14	152,004		36,662	
Cash at bank and in hand		310,718		578,086	
		<u>476,694</u>		<u>631,586</u>	
CREDITORS , amounts falling due within one year	15	(84,669)		(37,649)	
NET CURRENT ASSETS			<u>392,025</u>		<u>593,937</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,858,744</u>		<u>2,027,775</u>
CREDITORS , amounts falling due after more than one year	16		(67,256)		(53,948)
NET ASSETS			<u><u>1,791,488</u></u>		<u><u>1,973,827</u></u>
CHARITY FUNDS					
Restricted funds	17		1,061,015		1,039,957
Unrestricted funds	17		730,473		933,870
			<u><u>1,791,488</u></u>		<u><u>1,973,827</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Trustees on 20 April 2012 and signed on their behalf, by


KENNETH WILLIAM GEORGE CHERRETT
The notes on pages 13 to 25 form part of these financial statements


**COUNTRY HOLIDAYS FOR INNER CITY KIDS
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 03985540**

**COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2011**

	Note	£	2011 £	£	2010 £
FIXED ASSETS					
Tangible assets	12		1,466,600		1,433,679
Investments	13		1		1
			1,466,601		1,433,680
CURRENT ASSETS					
Stocks		13,014		13,500	
Debtors	14	103,604		36,118	
Cash at bank and in hand		310,217		576,276	
		426,835		625,894	
CREDITORS: amounts falling due within one year	15	(35,768)		(36,472)	
NET CURRENT ASSETS			391,067		589,422
TOTAL ASSETS LESS CURRENT LIABILITIES			1,857,668		2,023,102
CREDITORS: amounts falling due after more than one year	16		(67,256)		(53,948)
NET ASSETS			1,790,412		1,969,154
CHARITY FUNDS					
Restricted funds	17		1,140,124		1,039,957
Unrestricted funds	17		650,288		929,197
			1,790,412		1,969,154

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Trustees on ^{20 April 2012} and signed on their behalf, by


KENNETH WILLIAM GEORGE CHERKETT
The notes on pages 13 to 25 form part of these financial statements

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 2006.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

1.2 COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the Trustees named on page . In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

1.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

1. ACCOUNTING POLICIES (continued)

1.4 INCOMING RESOURCES

All incoming resources are included in the Statement of financial activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the company being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.5 RESOURCES EXPENDED

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

1.6 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of Country Holidays for Inner City Kids and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure account.

1.7 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

1. ACCOUNTING POLICIES (continued)

1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £2,000 are capitalised

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases

Freehold property	-	2% straight line
Plant & machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Office equipment	-	25% reducing balance

1.9 INVESTMENTS

Investments are stated at market value at the balance sheet date. The Statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

1.10 OPERATING LEASES

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.11 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2. VOLUNTARY INCOME

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Donations	409,618	575,336	984,954	1,138,374
Legacies	-	4,000	4,000	42,302
Other incoming resources	67,180	-	67,180	-
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	476,798	579,336	1,056,134	1,180,676
	<hr/>	<hr/>	<hr/>	<hr/>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

3. FUNDRAISING INCOME

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Fundraising events	-	105,235	105,235	121,153

4. TRADING ACTIVITIES

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
CHARITY TRADING INCOME				
Trading income	-	40,038	40,038	40,913
FUNDRAISING TRADING EXPENSES				
Trading expenses	-	979	979	1,095
Net income from trading activities	-	39,059	39,059	39,818

5. OTHER INCOMING RESOURCES

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Other incoming resources	-	5,807	5,807	6,379

6. COSTS OF GENERATING VOLUNTARY INCOME

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Materials	-	8,598	8,598	5,614
Marketing and media	-	3,191	3,191	3,269
Events	-	13,701	13,701	50,063
Travel	-	9,516	9,516	11,909
Office costs	-	49,587	49,587	47,821
Staff costs	-	240,671	240,671	249,556
	-	325,264	325,264	368,232

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

7. GOVERNANCE COSTS

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Auditors' remuneration	-	3,500	3,500	3,500
Governance Auditors' non audit costs	-	2,561	2,561	2,263
HR investigations	-	-	-	5,386
Governance wages	-	2,950	2,950	-
Trustees meetings and trustees indemnity insurance	-	424	424	989
	<u>-</u>	<u>9,435</u>	<u>9,435</u>	<u>12,138</u>

8 DIRECT COSTS

	Provision of respite breaks £	Total 2011 £	Total 2010 £
Loss on disposal of fixed asset	959	959	-
Childrens activities	71,704	71,704	74,834
Rent and utilities	31,066	31,066	22,912
Equipment and maintenance	39,142	39,142	21,328
Buildings and ground maintenance	21,711	21,711	38,553
Insurance	16,649	16,649	20,302
Advertising and promotions	12,737	12,737	9,306
Vehicle running costs and travel	56,807	56,807	41,189
Food and provisions	57,286	57,286	54,247
Other holiday costs	10,311	10,311	18,254
Training and recruitment	6,217	6,217	6,653
Wages and salaries	436,658	436,658	420,981
Depreciation	57,856	57,856	61,189
	<u>819,103</u>	<u>819,103</u>	<u>789,748</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

9. SUPPORT COSTS

	Provision of respite breaks £	Total 2011 £	Total 2010 £
Training and recruitment	48,840	48,840	15,892
Printing, postage, stationery and telephone	32,057	32,057	25,966
Legal and professional fees	784	784	1,297
Office overheads	13,898	13,898	13,277
Sundry expenses	9,526	9,526	3,494
Software upgrades	9,992	9,992	10,105
Bank charges and interest	6,013	6,013	11,408
Redundancy costs	4,060	4,060	-
Wages and salaries	114,638	114,638	101,313
	239,808	239,808	182,752

10. NET INCOME / (EXPENDITURE)

This is stated after charging

	2011 £	2010 £
Depreciation of tangible fixed assets - owned by the charitable group	57,898	61,242
Auditors' remuneration	3,500	3,500

During the year, no Trustees received any remuneration (2010 £NIL)

During the year, no Trustees received any benefits in kind (2010 £NIL)

Trustees received reimbursement of expenses amounting to £425 in the current year, (2010 £989)

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

11. STAFF COSTS

Staff costs were as follows

	2011	2010
	£	£
Wages and salaries	791,967	771,850

The average monthly number of employees during the year was as follows

	2011	2010
	No.	No
Fundraising	10	12
Operations	25	21
Support	3	3
	38	36

No employee received remuneration amounting to more than £60,000 in either year

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

12. TANGIBLE FIXED ASSETS

	Freehold property £	Plant & machinery £	Motor vehicles £	Office equipment £	Total £
GROUP					
COST					
At 1 January 2011	1,507,235	52,283	130,294	70,260	1,760,072
Additions	67,860	-	23,802	-	91,662
Disposals	-	-	(8,812)	-	(8,812)
At 31 December 2011	1,575,095	52,283	145,284	70,260	1,842,922
DEPRECIATION					
At 1 January 2011	167,148	46,655	66,772	45,659	326,234
Charge for the year	30,218	1,407	20,123	6,150	57,898
On disposals	-	-	(7,929)	-	(7,929)
At 31 December 2011	197,366	48,062	78,966	51,809	376,203
NET BOOK VALUE					
At 31 December 2011	1,377,729	4,221	66,318	18,451	1,466,719
At 31 December 2010	1,340,087	5,628	63,522	24,601	1,433,838
COMPANY					
COST					
At 1 January 2011	1,507,235	52,283	130,294	67,348	1,757,160
Additions	67,860	-	23,802	-	91,662
Disposals	-	-	(8,812)	-	(8,812)
At 31 December 2011	1,575,095	52,283	145,284	67,348	1,840,010
DEPRECIATION					
At 1 January 2011	167,148	46,655	66,772	42,906	323,481
Charge for the year	30,218	1,407	20,123	6,110	57,858
On disposals	-	-	(7,929)	-	(7,929)
At 31 December 2011	197,366	48,062	78,966	49,016	373,410
NET BOOK VALUE					
At 31 December 2011	1,377,729	4,221	66,318	18,332	1,466,600
At 31 December 2010	1,340,087	5,628	63,522	24,442	1,433,679

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

13. FIXED ASSET INVESTMENTS

		Shares in group undertakings £
COMPANY		
MARKET VALUE		
At 1 January 2011 and 31 December 2011		1
<hr/> <hr/>		
COMPANY INVESTMENTS AT MARKET VALUE COMPRISE:		
	2011 £	2010 £
Group	1	1

14. DEBTORS

	GROUP		COMPANY	
	2011 £	2010 £	2011 £	2010 £
Trade debtors	149,024	36,662	101,024	36,118
Other debtors	400	-	-	-
Prepayments and accrued income	2,580	-	2,580	-
	152,004	36,662	103,604	36,118

**COUNTRY HOLIDAYS FOR INNER CITY KIDS
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

**15. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	GROUP		COMPANY	
	2011	2010	2011	2010
	£	£	£	£
Bank loans and overdrafts	7,568	27,420	7,568	27,420
Trade creditors	9,452	3,798	9,450	3,797
Social security and other taxes	8,000	514	-	238
Other creditors	-	15	-	15
Accruals and deferred income	59,649	5,902	18,750	5,002
	84,669	37,649	35,768	36,472

The above bank loan is secured on the assets of the charity

**16. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	GROUP		COMPANY	
	2011	2010	2011	2010
	£	£	£	£
Bank loans	67,256	53,948	67,256	53,948

The above bank loan is secured on the assets of the charity

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

17. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
DESIGNATED FUNDS					
Property fund	463,672	-	-	(86,633)	377,039
Building fund	50,000	-	-	(50,000)	-
	<u>513,672</u>	<u>-</u>	<u>-</u>	<u>(136,633)</u>	<u>377,039</u>
GENERAL FUNDS					
General Funds	420,198	735,452	(938,780)	136,564	353,434
Total Unrestricted funds	<u>933,870</u>	<u>735,452</u>	<u>(938,780)</u>	<u>(69)</u>	<u>730,473</u>

Property fund

The property fund represents the net book value of unrestricted fixed assets held by the charity

RESTRICTED FUNDS

Capital funds					
Holiday and office equipment	6,082	762	(1,088)	-	5,756
Appeal for Coastal Retreat	368,471	-	(13,860)	-	354,611
Appeal for Moorland Retreat	528,729	-	(19,888)	-	508,841
Barn development	52,674	-	(1,981)	-	50,693
Premises and equipment costs	14,209	-	(534)	-	13,675
Wooden Spoon development	-	54,121	-	-	54,121
Solar panels	-	13,059	(65)	-	12,994
Revenue funds					
Christmas present fund	-	8,550	(8,619)	69	-
Raffle prizes	478	-	-	-	478
Youth apprenticeship training	20,774	31,000	(30,249)	-	21,525
Staff costs fund	-	14,465	(8,067)	-	6,398
Provision of respite breaks	48,540	354,791	(371,458)	-	31,873
Gardening	-	50	-	-	50
	<u>1,039,957</u>	<u>476,798</u>	<u>(455,809)</u>	<u>69</u>	<u>1,061,015</u>
Total of funds	<u>1,973,827</u>	<u>1,212,250</u>	<u>(1,394,589)</u>	<u>-</u>	<u>1,791,488</u>

Holiday and office equipment

This fund was set up to purchase equipment for use within the charity

Appeal for Coastal Retreat

This fund was set up to purchase the Coastal Retreat

Appeal for Moorland Retreat

This fund was set up to purchase the Moorland Retreat

Barn Development

This fund was set up to fund the development of a play barn at Moorland Retreat

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

17. STATEMENT OF FUNDS (continued)

Premises and equipment costs

This fund is used to new equipment such as minibuses

Sports Barn development

This fund was set up to fund a sports barn at Moorland Retreat

Solar panels

This fund was set up to fund the solar panels at Moorland Retreat

Christmas present fund

This fund was set up to purchase Christmas presents for children

Raffle prizes

This fund is used to purchases prizes for raffles held

Youth apprenticeship training

This fund was set up to support costs for the youth apprentice scheme

Staff Costs Fund

This fund supports the costs of a supervisor on the respite breaks

Provision of respite breaks

This fund is restricted to the respite break costs

Gardening

This fund is for the improvement of the gardens at both Coastal and Moorland Retreats

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2011 £	Unrestricted funds 2011 £	Total funds 2011 £	Total funds 2010 £
Tangible fixed assets	1,000,691	466,028	1,466,719	1,433,836
Current assets	60,324	416,368	476,692	631,586
Creditors due within one year	-	(84,667)	(84,667)	(37,648)
Creditors due in more than one year	-	(67,256)	(67,256)	(53,947)
	1,061,015	730,473	1,791,488	1,973,827

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

19. OPERATING LEASE COMMITMENTS

At 31 December 2011 the Group had annual commitments under non-cancellable operating leases as follows

GROUP	2011	2010
EXPIRY DATE	£	£
Within 1 year	2,340	4,680
Between 2 and 5 years	18,982	6,703
After more than 5 years	1,238	-
	<u>22,560</u>	<u>11,383</u>

20. CONTROLLING PARTY

The company was controlled by the board of trustees

21. PRINCIPAL SUBSIDIARIES

Company name	Country	Percentage Shareholding
CHICKS (Trading) Limited	England	100%