

Charity Registration No. 1093347

Company Registration No. 4071171 (England and Wales)

**THE VILLAGE COMMUNITY NURSERY  
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS  
FOR THE PERIOD ENDED 31 MARCH 2007**

**MICHAEL KAY  
— & —  
C O M P A N Y**

THURSDAY



\*APIU2V2A\*

A46

29/11/2007

444

COMPANIES HOUSE

# THE VILLAGE COMMUNITY NURSERY

## LEGAL AND ADMINISTRATIVE INFORMATION

---

<b>Trustees</b>	C Coppage Alderman Byron S Mohammed S Sandhu
<b>Nursery manager</b>	Trudy Chaouki
<b>Deputy manager</b>	Michelle Witherington
<b>Secretary</b>	Trudy Chaouki
<b>Charity number</b>	1093347
<b>Company number</b>	4071171
<b>Registered office</b>	St Peter's Urban Village College Road Alum Rock Birmingham B8 3TE
<b>Accountants</b>	Michael Kay & Company 2 Water Court, Water Street, Birmingham B3 1HP

---

# THE VILLAGE COMMUNITY NURSERY

## CONTENTS

---

	<b>Page</b>
Trustees' report	1 - 2
Independent accountants' report	3
Statement of financial activities	4
Balance sheet	5
Notes to the accounts	6 - 10

---

# THE VILLAGE COMMUNITY NURSERY

## TRUSTEES' REPORT

### FOR THE PERIOD ENDED 31 MARCH 2007

---

The trustees present their report and accounts for the period ended 31 March 2007

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's [governing document], the Companies Act 1985 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005

#### **Structure, governance and management**

The charity is a company limited by guarantee and is governed by the memorandum and articles of association

The trustees, who are also the directors for the purpose of company law, who served during the period were  
N Khan (Resigned 10 April 2006)

C Copping

A Richmond (Resigned 19 June 2006)

Alderman Byron

J Jones (Resigned 10 April 2006)

S Mohammed (Appointed 27 February 2007)

S Sandhu (Appointed 27 February 2007)

Potential new trustees are lobbied by the existing trustees and any applicants are approved by the main board

None of the trustees has any beneficial interest in the company All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up

The charity is governed by the trustees who hold regular meetings to review the operation of the activities

The charity occupies property owned by St Peter's Urban Village Trust, a charity in which C Copping is administrator

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks

#### **Objectives and activities**

The charity's objects are the provision of affordable pre-school and out of school activities for children from Birmingham and the surrounding area The policies adopted in furtherance of these objects are the operation of the The Village Nursery and there has been no change in these activities during the period

The Village Community Nursery, based on the grounds of St Peter's Urban Village Trust, has continued to grow over the last year As of 31 March 2006 Norton Hall Children and Family Centre ceased to operate as part of this charity and therefore their activities are not included in the report and accounts for this year

#### **Achievements and performance**

The Village Community Nursery have continued to work in conjunction with colleges of further and higher education including Matthew Boulton, City College, Solihull, South Birmingham and Bourneville as well as the four local Surestarts We have started to extend future links with parents and local projects including working with local job centres

#### **Financial review**

The trustees are pleased to report a surplus of £2,473 for the year The state of affairs of the charity at the balance sheet date is considered to be satisfactory

# THE VILLAGE COMMUNITY NURSERY

## TRUSTEES' REPORT (CONTINUED)

**FOR THE PERIOD ENDED 31 MARCH 2007**

---

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to three month's expenditure. The trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has not been maintained throughout the period.

On behalf of the board of trustees



**C Coppage**

Trustee

Dated 23 October 2007

# THE VILLAGE COMMUNITY NURSERY

## INDEPENDENT ACCOUNTANTS' REPORT TO THE MEMBERS ON THE UNAUDITED ACCOUNTS OF THE VILLAGE COMMUNITY NURSERY

---

We report on the accounts for the period ended 31 March 2007 set out on pages 4 to 10

This report is made solely to the charity's members, as a body, in accordance with Section 249C of the Companies Act 1985. Our reporting work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an independent accountant'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 charity and the charity's members as a body, for our reporting work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and reporting accountants**

As described on page 5 the charitable company's trustees, who are also the directors of The Village Community Nursery for the purpose of company law, are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

### **Basis of opinion**

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

### **Opinion**

In our opinion

- (a) the accounts are in agreement with the accounting records kept by the charitable company under section 221 of the Companies Act 1985,
- (b) having regard only to, and on the basis of, the information contained in those accounting records
  - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act, and
  - (ii) the charitable company satisfied the conditions for exemption from an audit of the accounts for the period specified in section 249A(4) of the Act and did not, at any time within that period, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1)



Michael Kay & Company

Chartered Accountants  
Reporting Accountants  
2 Water Court,  
Water Street,  
Birmingham  
B3 1HP

Dated 23 October 2007

# THE VILLAGE COMMUNITY NURSERY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

**FOR THE PERIOD ENDED 31 MARCH 2007**

	Notes	Unrestricted funds £	Restricted funds £	Total 2007 £	Total 2006 £
<b>Incoming resources from generated funds</b>					
Fundraising	2	2,058	-	2,058	-
Incoming resources from charitable activities	3	235,875	-	235,875	645,577
Other incoming resources	4	5,565	-	5,565	5,652
<b>Total incoming resources</b>		<b>243,498</b>	<b>-</b>	<b>243,498</b>	<b>651,229</b>
<b>Resources expended</b>					
	5				
<b>Costs of generating funds</b>					
Costs of generating fundraising income		1,509	-	1,509	-
<b>Net incoming resources available</b>		<b>241,989</b>	<b>-</b>	<b>241,989</b>	<b>651,229</b>
<b>Charitable activities</b>					
The Village Community Nursery		236,877	16,018	252,895	223,473
Norton Hall Women and Children's Centre		-	25,084	25,084	426,716
<b>Total charitable expenditure</b>		<b>236,877</b>	<b>41,102</b>	<b>277,979</b>	<b>650,189</b>
Governance costs		2,639	-	2,639	6,421
<b>Total resources expended</b>		<b>239,516</b>	<b>41,102</b>	<b>280,618</b>	<b>656,610</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>2,473</b>	<b>(41,102)</b>	<b>(38,629)</b>	<b>(5,381)</b>
Gross transfers between funds		7,206	(7,206)	-	-
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>9,679</b>	<b>(48,308)</b>	<b>(38,629)</b>	<b>(5,381)</b>
Fund balances at 11 March 2006		26,201	207,592	233,793	239,174
<b>Fund balances at 31 March 2007</b>		<b>35,880</b>	<b>159,284</b>	<b>195,164</b>	<b>233,793</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 1985

# THE VILLAGE COMMUNITY NURSERY

## BALANCE SHEET

AS AT 31 MARCH 2007

	Notes	2007 £	£	2006 £	£
<b>Fixed assets</b>					
Tangible assets	8	162,787		173,323	
<b>Current assets</b>					
Debtors	9	7,701		52,332	
Cash at bank and in hand		41,221		63,040	
		<u>48,922</u>		<u>115,372</u>	
<b>Creditors, amounts falling due within one year</b>	10	<u>(16,545)</u>		<u>(54,902)</u>	
<b>Net current assets</b>		<u>32,377</u>		<u>60,470</u>	
<b>Total assets less current liabilities</b>		<u>195,164</u>		<u>233,793</u>	
<b>Income funds</b>					
Restricted funds	12	159,284		207,592	
Unrestricted funds		<u>35,880</u>		<u>26,201</u>	
		<u>195,164</u>		<u>233,793</u>	

The company is entitled to the exemption from the audit requirement contained in section 249A(2) of the Companies Act 1985, for the period ended 31 March 2007. No member of the company has deposited a notice, pursuant to section 249B(2), requiring an audit of these accounts.

The directors acknowledge their responsibilities for

- (a) ensuring that the company keeps accounting records which comply with section 221 of the Act, and
- (b) preparing accounts which give a true and fair view of the state of affairs of the company at 31 March 2007 and of its profit for the period then ended in accordance with section 226, and otherwise comply with the requirements of the Act relating to accounts, so far as applicable to the company.

The accounts were approved by the Board on 23 October 2007

  
C Coppage  
Trustee



# THE VILLAGE COMMUNITY NURSERY

## NOTES TO THE ACCOUNTS

**FOR THE PERIOD ENDED 31 MARCH 2007**

---

### **1 Accounting policies**

#### **1 1 Basis of preparation**

The accounts have been prepared under the historical cost convention

The accounts have been prepared in accordance with applicable accounting standards, the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 1985

#### **1 2 Incoming resources**

All grants are accounted for gross when receivable, as long as they are capable of financial measurement. This includes gifts in kind, included at estimated valuation

#### **1 3 Resources expended**

resources expended on charitable activities are those costs incurred in the charitable objects of the charity

Governance costs comprise all costs attributable to ensuring the public accountability of the charity and its compliance with regulation and good practice

#### **1 4 Tangible fixed assets and depreciation**

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

Leasehold property	5% straight line
Fixtures, fittings & equipment	25% reducing balance

#### **1 5 Leasing and hire purchase commitments**

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

#### **1 6 Accumulated funds**

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts

### **2 Fundraising**

	2007	2006
	£	£
In kind Direct	2,058	-

# THE VILLAGE COMMUNITY NURSERY

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2007

### 3 Incoming resources from charitable activities

	2007 £	2006 £
Grants receivable	23,906	35,474
Nursery fees receivable	211,969	194,314
Norton Hall Women and Children's Centre	-	413,127
	<u>235,875</u>	<u>645,577</u>

### 4 Other incoming resources

	2007 £	2006 £
Welfare milk	<u>5,565</u>	<u>5,652</u>

### 5 Total resources expended

	Staff costs £	Other costs £	Total 2007 £	Total 2006 £
<b>Costs of generating funds</b>				
Costs of generating fundraising income	-	1,509	1,509	-
<b>Charitable activities</b>				
<u>The Village Community Nursery</u>				
Activities undertaken directly	178,060	74,836	252,895	223,473
<u>Norton Hall Women and Children's Centre</u>				
Activities undertaken directly	-	25,084	25,084	426,716
	<u>178,060</u>	<u>99,920</u>	<u>277,979</u>	<u>650,189</u>
<b>Governance costs</b>	-	2,639	2,639	6,421
	<u>178,060</u>	<u>102,559</u>	<u>280,618</u>	<u>656,610</u>

Governance costs includes payments to the auditors of £nil (2006 £3,231) for audit fees and £1,170 (2006 £1,190) for other services

# THE VILLAGE COMMUNITY NURSERY

## NOTES TO THE ACCOUNTS (CONTINUED)

**FOR THE PERIOD ENDED 31 MARCH 2007**

### 6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the period

### 7 Employees

#### Number of employees

The average monthly number of employees during the period was

	2007 Number	2006 Number
Village Nursery	16	16
Norton Hall Women and Children's Centre	-	23
	<u>16</u>	<u>39</u>

#### Employment costs

	2007 £	2006 £
Wages and salaries	167,061	461,299
Social security costs	10,999	20,099
	<u>178,060</u>	<u>481,398</u>

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

# THE VILLAGE COMMUNITY NURSERY

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2007

### 8 Tangible fixed assets

	Land and buildings	Fixtures, fittings & equipment	Total
	£	£	£
<b>Cost</b>			
At 11 March 2006 and at 31 March 2007	187,352	11,964	199,316
<b>Depreciation</b>			
At 11 March 2006	18,700	7,293	25,993
Charge for the period	9,368	1,168	10,536
<b>At 31 March 2007</b>	<b>28,068</b>	<b>8,461</b>	<b>36,529</b>
<b>Net book value</b>			
At 31 March 2007	159,284	3,503	162,787
At 10 March 2006	168,652	4,671	173,323

### 9 Debtors

	2007	2006
	£	£
Trade debtors	7,333	3,746
Other debtors	368	44,472
Prepayments and accrued income	-	4,114
	<b>7,701</b>	<b>52,332</b>

### 10 Creditors, amounts falling due within one year

	2007	2006
	£	£
Trade creditors	1,623	21,027
Taxes and social security costs	-	26,543
Other creditors	12,095	-
Accruals	2,827	7,332
	<b>16,545</b>	<b>54,902</b>

# THE VILLAGE COMMUNITY NURSERY

## NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2007

### 11 Share capital

The charity is a company limited by guarantee. In the event of a winding up, each member of the company is guarantor for a sum not exceeding £1.

### 12 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 11 March 2006	Movement in funds			Balance at 31 March 2007
	£	Incoming resources	Resources expended	Transfers	£
Refurbishment grants	182,508	-	(16,018)	(7,206)	159,284
Norton Hall Women and Children's Centre	25,084	-	(25,084)	-	-
	<u>207,592</u>	<u>-</u>	<u>(41,102)</u>	<u>(7,206)</u>	<u>159,284</u>

Funding has been received to extend and refurbish the company's existing premises. The expenditure incurred to date has been capitalised and is being depreciated at 5% per annum. This depreciation is being charged against the restricted fund.

### 13 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2007 are represented by:			
Tangible fixed assets	3,503	159,284	162,787
Current assets	48,922	-	48,922
Creditors: amounts falling due within one year	(16,545)	-	(16,545)
	<u>35,880</u>	<u>159,284</u>	<u>195,164</u>

### 14 Related parties

The charity has paid rent and service charge in the period of £27,856 to St Peter's Urban Village Trust. C Coppage is the Administrator of St Peter's Urban Village Trust.