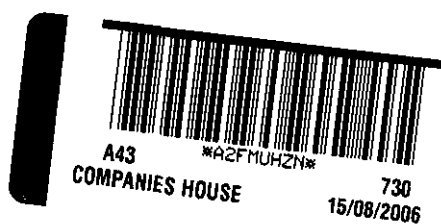


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CATZ Club
Financial Statements
For the year ended 30 September 2005



CATZ Club

Report of the Trustees

For the year ended 30 September 2005

The trustees present their report and the audited financial statements for the year ended 30 September 2005.

Principal Activities

The company continues as a not-for-profit organisation, to promote, develop, manage and operate out of school hours childcare with integrated learning facilities.

The trustees consider that the results for the year are satisfactory and should continue to be so.

Dividend and transfer to reserves

No dividends are payable, as the company is limited by guarantee and has no share capital.

It is proposed that the retained loss of £860,479 is transferred to reserves.

Fixed assets

Full disclosure of all matters relating to fixed assets is set out in the notes to the financial statements.

Trustees and their interests

The trustees at the balance sheet date and their interests in the company at that date and at the beginning of the year (or on appointment, if later), were as follows:

	Member class	Amount Guaranteed	
		2005	2004
A Mitchell (Chairman)	Guarantee	£-	£-
M McDonagh	Guarantee	£-	£-
J Rafferty	Guarantee	£-	£-
S Bolton	Guarantee	£-	£-

Trustees' responsibilities

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of the affairs of the company and of the results of the company for that period. In preparing those financial statements, the trustees are required to:

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

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Small company disclosure

In preparing this report the trustees have taken advantage of the special exemptions applicable to small companies on the grounds that the company is small.

By order of the board


S Argent
Secretary

Date: 7th August 2006

CATZ Club

Report of the Auditors

For the year ended 30 September 2005

We have audited the financial statements of CATZ Club which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out in note 1 to the financial statements.

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 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 the trustees and the auditors

As described in the Trustees' Report, the company's trustees are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Report is not consistent with the financial statements, if the 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 transactions with the company is not disclosed.

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

Basis of opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

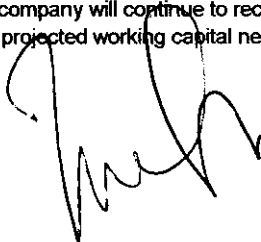
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we have also evaluated the overall adequacy of the presentation of the information in the financial statements.

Opinion

In our opinion, the financial statements give a true and fair view of the state of affairs of the company as at 30 September 2005 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985

In forming our opinion, which is not qualified, we have considered the company's ability to continue as a going concern. The company incurred a net loss of £860,479 during the year ended 30 September 2005 and, at that date, the company's total liabilities exceeded its total assets by £856,663. These conditions, which have arisen from the receipt of long-term loans from Futurebuilders to finance the infrastructure costs of the company, might cast doubt about the company's ability to continue as a going concern. However, we are satisfied that the company will continue to receive financial support from the Reachout Educational Trust, sufficient for its projected working capital needs.

Finniston & Company
Chartered Accountants &
Registered Auditors
Wedderburn House
1 Wedderburn Road
London
NW3 5QR



Date: 14/03/06

CATZ Club
Profit and loss account
For the year ended 30 September 2005

	Notes	2005 £	2004 £
Turnover		722,078	692,782
Club running costs		(714,586)	(315,531)
Gross profit		<u>7,492</u>	<u>377,251</u>
Administration expenses		(818,175)	(376,023)
Operating loss	2	<u>(810,683)</u>	<u>1,228</u>
Interest receivable		1,382	184
Interest payable		(51,178)	(4)
Loss for the financial year		<u><u>(860,479)</u></u>	<u><u>1,408</u></u>

None of the company's activities were acquired or discontinued during the above two financial years.

The company has no recognised gains or losses other than those dealt with in the profit and loss account.

The notes on pages 5 and 6 form part of these financial statements.

CATZ Club
Balance sheet
As at 30 September 2005

	Notes	2005		2004	
		£	£	£	£
Fixed assets					
Tangible assets	3		32,509		17,415
Current assets					
Debtors	4	315,913		161,230	
Bank and cash balances		178,482		150	
		<u>494,395</u>		<u>161,380</u>	
Creditors: Amounts falling due within one year	5	(118,463)		(33,539)	
		<u></u>		<u></u>	
Net current assets			375,932		127,841
Total assets less current liabilities			<u>408,441</u>		<u>145,256</u>
Creditors: Amounts falling due after more than one year	6		(1,265,104)		(141,441)
			<u>(856,663)</u>		<u>3,815</u>
Capital and reserves					
Guarantee capital	7		20		20
Profit and loss account	8		(856,683)		3,796
			<u>(856,663)</u>		<u>3,816</u>

In preparing these financial statements, the trustees have taken advantage of the special exemptions applicable to small companies on the grounds that the company is small.

The financial statements were approved by the board on 7th August 2006 and signed on its behalf by:



..... A Mitchell (Chairman)

The notes on pages 5 and 6 form part of these financial statements.

CATZ Club

Notes to the financial statements

For the year ended 30 September 2005

1 Accounting policies

1.1 Basis of accounting

The financial statements have been prepared under the historical cost convention.

1.2 Turnover

Turnover represents the total invoice value, excluding Value Added Tax, of services rendered during the year.

1.3 Depreciation

Depreciation is provided using the following rates and bases to reduce by annual instalments the cost, less estimated residual value, of the tangible assets over their estimated useful lives:

Club equipment	20% Reducing balance
Fixtures and fittings	20% Reducing balance

2 Operating loss

	2005 £	2004 £
The operating loss is stated after charging:		
Depreciation	8,127	4,353
Auditors' remuneration	2,938	2,500

3 Tangible assets

	Fixtures and fittings, etc. £	Total £
<u>Cost</u>		
At 1 October 2004	22,345	22,345
Additions	23,221	23,221
At 30 September 2005	<u>45,566</u>	<u>45,566</u>
<u>Depreciation</u>		
At 1 October 2004	4,930	4,930
Charge for year	8,127	8,127
At 30 September 2005	<u>13,057</u>	<u>13,057</u>
<u>Net book value</u>		
At 30 September 2005	<u>32,509</u>	<u>32,509</u>
At 30 September 2004	<u>17,415</u>	<u>17,415</u>

4 Debtors

	2005 £	2004 £
Trade debtors	102,558	34,643
Other debtors	12,750	-
Prepayments and accrued income	200,605	126,587
	<u>315,913</u>	<u>161,230</u>

CATZ Club

Notes to the financial statements

For the year ended 30 September 2005

5 Creditors: Amounts falling due within one year

	2005	2004
	£	£
Bank loans and overdrafts	-	4,557
Trade creditors	60,897	15,787
Other taxes and social security costs	46,539	9,961
Chief Executives' current accounts	8,089	734
Accruals and deferred income	2,938	2,500
	<u>118,463</u>	<u>33,539</u>

6 Creditors: Amounts falling due after one year

	2005	2004
	£	£
Loan from Schoolfriend	363,304	141,441
Loan from Futurebuilders	901,800	-
	<u>1,265,104</u>	<u>141,441</u>

7 Guarantee capital

	2005	2004
	£	£
Authorised		
<u>Equity interests</u>		
2 Guarantees of £10.00 each	20	20
	<u>20</u>	<u>20</u>
Allotted, called up and fully paid		
<u>Equity interests</u>		
2 Guarantees of £10.00 each	20	20
	<u>20</u>	<u>20</u>

8 Profit and loss account

	2005	2004
	£	£
Retained profits at 1 October 2004	3,796	2,388
Loss for the financial year	(860,479)	1,408
	<u>(856,683)</u>	<u>3,796</u>

9 Reconciliation of movements in company's funds

	2005	2004
	£	£
Loss for the financial year	(860,479)	1,408
Company's funds at 1 October 2004	3,816	2,408
	<u>(856,663)</u>	<u>3,816</u>