

2714750

**MACHYNLLETH COMMUNITY CHILDREN'S PROJECT LTD**

**REPORT AND FINANCIAL STATEMENTS**

**covering the year ended**

**31st August 2010**

TUESDAY



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**MACHYNLLETH COMMUNITY CHILDREN'S PROJECT LTD**

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# **MACHYNLLETH COMMUNITY CHILDREN'S PROJECT LTD**

## **REPORT OF THE DIRECTORS'**

**for the Year Ended 31st August 2010**

The directors present their report and financial statements for the year ended 31st August 2010.

### **REFERENCE AND ADMINISTRATIVE INFORMATION**

**Charity Name**

Machynlleth Community Children's Project Ltd

**Charity Registration Number**

1043102

**Company Registration Number**

2714750

**Registered Office and Operational Address**

Machynlleth Community Children Project Ltd, Plas Grounds, Maengwyn Street, Machynlleth, Powys. SY20 8ER

**Directors**

The following have served as directors during the year :

Melanie Biffin	Derek Brind
Cynthia James	Pat Leppard
Stella Owen	Sylvia Whittaker
Carrie Wiltshire	Michael Williams
Pam Williams	Eileen Kinsman
Maurice Hopkins	

**Accountants**

Major and Evans, Bull House, 15 Penrallt Street, Machynlleth, Powys SY20 8AG

**Bankers**

HSBC plc, 1 Maengwyn Street, Machynlleth, Powys. SY20 8AB

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

The organisation is a charitable company limited by guarantee, incorporated on 14th May 1992. The company was established under a Memorandum of Association which establishes its objects and powers and is governed under its Articles of Association. In the event of the company being wound up members are required to contribute an amount not exceeding £1.

# **MACHYNLLETH COMMUNITY CHILDREN'S PROJECT LTD**

## **REPORT OF THE DIRECTORS'**

**for the Year Ended 31st August 2010**

**continued**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT (*cont*)**

Interest in MCCC Ltd directorship is welcomed at any time, however an active recruitment programme is implemented preceding the Annual General Meeting in a variety of media. This may include verbal discussions, notices placed locally, press releases, newsletters to members and/or via our database of local organisations across Bro Ddyfi. Applications are invited from all members of the community with an interest in enabling MCCC Ltd to achieve its aims and objectives. In line with our Equal Opportunities Policy we appoint Directors via a fair and transparent process regardless of age, gender, social background, ability/disability, culture, ethnic origin or religious belief \* Expressions of interest in directorship are received by the Management Committee for consideration and are democratically elected on the basis of suitability to undertake the required responsibilities. All Directors receive an induction handbook containing latest accounts, copies of minutes, governing document, Charity Commission publications detailing legal responsibilities and other relevant information.

*\* (In accordance with Charity Law guidelines)*

### **OBJECTIVES AND ACTIVITIES**

These are stated in the Memorandum of Association to advance the education of children up to the age of twelve years in Machynlleth and surrounding area by promoting facilities for daily care, recreation and education of such children, and by promoting good standards of child care by the parents of such children and all persons and organisations providing such facilities.

### **ACHIEVEMENTS AND PERFORMANCE**

In the last year, trading has been particularly difficult due to escalating prices and the economic recession. It was with this in mind that the objectives set for this year was to consolidate our financial position. We found ourselves last year having to deal with a reduction in our cash reserves at the end of the year to the tune of approximately £19,000. It could not continue at that rate, so measures were put in place to bring it into a more manageable level. With the help of the staff, who accepted a pay freeze and used their best endeavours to control expenditure whilst maintaining the drive in their fundraising activities, we can report that our cash balance this year has been reduced to approximately £5,000, a vast improvement. Thanks must go to all our staff, particularly the Nursery staff, for their very valiant effort.

Although we continue to receive excellent CSSIW reports, maintaining well trained staff and a balance caring atmosphere, there is some concern over the state of the buildings within which we operate. We also have a waiting list for very young nursery places which we cannot take in as we are at full capacity with no room for expansion. We are seeing the cost of repairs and maintenance rising and already know 2010/11 will be even higher. The answer would be to move to new premises and the Trustees will be pursuing this, hard and fast in the coming months. Major items of expenditure include new flooring in two of the rooms and the complete replacement of the front door to the Nursery.

# **MACHYNLLETH COMMUNITY CHILDREN'S PROJECT LTD**

## **REPORT OF THE DIRECTORS'**

**for the Year Ended 31st August 2010**

**continued**

### **ACHIEVEMENTS AND PERFORMANCE (cont)**

There have been some changes to the Trustees during the period, especially with the resignation of Mel Biffin, a stalwart of the organisation for a number of years, thus she has been replaced by the new treasurer Mr Maurice Hopkins. With the introduction of a new chairman last year, the Board has now been further strengthened and will benefit from their extensive commercial knowledge.

The strategy developed to improve the performance of "Out of School" clubs and activities at Ty Melfed, shows a continuing trend of improvement with higher numbers attending. This has not been such a drain on our resources this year as it has been in the past, and thanks must go to the manager and staff for their efforts.

We continue to apply for grants to support our activities and are pleased to report that we have received some help towards tuition fees, and we have been able to pass these straight on to the parents. This keeps fees at an affordable level which is a great consideration, particularly in our immediate area where jobs are scarce and generally below the national average. We remain one of the major employers in the area, also providing a useful training facility for local employment providers, and therefore make a considerable contribution to the local economy.

Financial stability has been brought back under control, however we are fully aware that the next few months will be extremely tough, what with the recession and cuts in people's spending powers. However, we have taken some steps to try to alleviate its impact on next years figures.

### **FINANCIAL REVIEW**

The Statement of Financial Activities is shown on page 6 to the Accounts, and shows income of £180,538 and expenditure of £192,302, resulting in net outgoing resources of £11,764 as analysed between the various funds detailed therein.

All the assets as shown in the Balance Sheet are held for the purpose of the company's charitable objectives.

### **DIRECTORS' RESPONSIBILITIES**

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of the company and of the surplus/deficit of the company for that period. In preparing these financial statements, the directors are required to select suitable accounting policies and then to apply them consistently; making judgements and estimates that are reasonable and prudent, and prepare the financial statements on a going concern basis, unless it is inappropriate to assume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company, and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

**MACHYNLLETH COMMUNITY CHILDREN'S PROJECT LTD**

**REPORT OF THE DIRECTORS'**

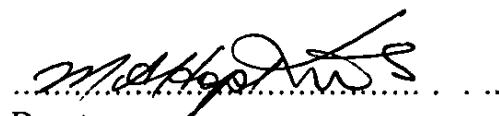
**for the Year Ended 31st August 2010**

**continued**

**SMALL COMPANY RULES**

This report has been prepared in accordance with the Statement of Recommended Practice : Accounting and Reporting by Charities (issued in March 2005) and the special provisions for small companies under Part 15 of the Companies Act 2006.

By Order of the Board

 .....

Director  
Maurice Hopkins

Date 15-3-2011 .....

**INDEPENDENT EXAMINER'S REPORT**  
**TO THE TRUSTEES OF**  
**MACHYNLLETH COMMUNITY CHILDREN'S PROJECT LTD**

I report on the accounts of the company for the year ended 31st August 2010, which are set out on pages 6 to 12.

**Respective Responsibilities of Trustees and Examiner**

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under company law and is eligible for independent examination, it is my responsibility to

- examine the accounts under section 43 of the 1993 Act ;
- to follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the 1993 Act ; and
- to state whether particular matters have come to my attention

**Basis of Independent Examiner's Report**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**Independent Examiner's Statement**

In connection with my examination, no matter has come to my attention

(1) which gives me reasonable cause to believe that in any material respect the requirements

- to keep accounting records in accordance with section 386 of the Companies Act 2006 ; and
- to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice Accounting and Reporting by Charities

have not been met ; or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts be reached.



R W Evans BSc Econ(Hons), FCCA  
Major and Evans,  
Chartered Certified Accountants,  
Bull House,  
15 Penrallt Street,  
Machynlleth,  
Powys.

Date 16/03/2011 .....

**MACHYNLLETH**  
**COMMUNITY CHILDREN'S PROJECT Ltd**

**STATEMENT OF FINANCIAL ACTIVITIES**  
**(incorporating Income and Expenditure Account)**

**For the Year Ended 31st August 2010**

Note	2010 --- Restricted Funds ---		2010 -- Unrestricted Funds --		Total Funds 2010  £	Total Funds 2009  £
	MCCP	Ty Melfed	MCCP	Ty Melfed		
	£	£	£	£		
<b>Incoming Resources:</b>						
Incoming Resources from Generated Funds						
	3,638	-	6,761	-	10,399	8,122
	144	-	3,000	1,000	4,144	3,920
Incoming Resources from Charitable Activities						
	-	-	159,945	6,027	165,972	162,876
	-	-	-	-	-	75
	-	-	23	-	23	287
	<u>3,782</u>	<u>-</u>	<u>169,729</u>	<u>7,027</u>	<u>180,538</u>	<u>175,280</u>
<b>Resources Expended:</b>						
	6,739	-	179,621	4,435	190,795	197,426
	-	-	1,249	258	1,507	1,472
	<u>6,739</u>	<u>-</u>	<u>180,870</u>	<u>4,693</u>	<u>192,302</u>	<u>198,898</u>
<b>Net Income/(Expenditure) for the Year</b>						
	(2,957)	-	(11,141)	2,334	(11,764)	(23,618)
Inter Fund Transfers						
	(4,159)	-	7,412	(3,253)	-	-
Fund Balance brought forward						
at 1st September 2009	18,701	-	35,607	1,246	55,554	79,172
Fund Balance carried forward						
at 31st August 2010	<u>11,585</u>	<u>-</u>	<u>31,878</u>	<u>327</u>	<u>43,790</u>	<u>55,554</u>



**MACHYNLLETH**  
**COMMUNITY CHILDREN'S PROJECT Ltd**

**BALANCE SHEET**

**as at 31st August 2010**

	Notes	2010 £	2009 £
<b>Fixed Assets</b>			
Tangible Assets	8	<u>11,211</u>	<u>17,549</u>
<b>Current Assets</b>			
Debtors	9	2,489	3,639
Cash at Bank	10	31,662	35,670
Cash in Hand		<u>150</u>	<u>150</u>
		<u>34,301</u>	<u>39,459</u>
<b>Creditors : Amounts falling due within one year</b>	11	<u>1,722</u>	<u>1,454</u>
<b>Net Current Assets</b>		<u>32,579</u>	<u>38,005</u>
<b>Total Net Assets</b>	12	£ <u><u>43,790</u></u>	£ <u><u>55,554</u></u>
<b>Financed by :</b>			
Funds - Unrestricted	13(a)	32,205	36,853
- Restricted	13(b)	<u>11,585</u>	<u>18,701</u>
		£ <u><u>43,790</u></u>	£ <u><u>55,554</u></u>

For the year ended 31st August 2010 the company was entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006

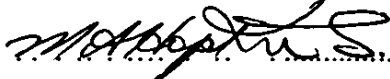

No notice has been deposited with the company under section 476 of the Act requiring an audit to be carried out.

The directors acknowledge their responsibilities for :

- i.) ensuring that the company keeps accounting records which comply with section 386 and 387 of the Companies Act 2006, and
- ii.) preparing accounts which give a true and fair view of the state of affairs of the company at the end of the financial year, and of its profit and loss for the financial year in accordance with the requirements of sections 394 and 395 of the Companies Act 2006.

The accounts are prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective April 2008).

Approved by the Board of Trustees on 15-3-2011 and signed on its behalf by

 ..... Director  
 ..... Director

Maurice Hopkins

Derek Brind

**MACHYNLLETH**  
**COMMUNITY CHILDREN'S PROJECT Ltd**

**NOTES TO THE ACCOUNTS**

**as at 31st August 2010**

**1. Statement of Accounting Policies**

The Financial Statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008) and the Statement of Recommended Practice . Accounting and Reporting by Charities issued in March 2005

**2. Tangible Fixed Assets**

Expenditure on tangible fixed assets is capitalised at cost

Depreciation of tangible fixed assets is calculated to write off the cost less estimated residual value of each asset over its expected useful life using the reducing balance method as follows

Furniture, Fixtures, Fittings and Equipment	15% per annum
Computer Equipment	33% per annum
Leasehold Land and Buildings	Over the Period of the Lease (Straight Line Method)

**3. Income has been.**

- i) included gross;
- ii) credited with all gifts in kind;
- iii) included for all amounts earned up to the accounting date.

**4. Expenditure has been**

- i) included gross,
- ii) debited with all gifts in kind which have been expended,
- iii) accrued for all known items at the accounting date.

**5. Restricted Funds**

Income received from public sector bodies and others to be used in furtherance of particular aspects of the objects of the charity is separated and treated as restricted funds

**MACHYNLLETH**  
**COMMUNITY CHILDREN'S PROJECT Ltd**

**NOTES TO THE ACCOUNTS**

**as at 31st August 2010**

**Continued**

	2010		2010			
	--- Restricted Funds ---		-- Unrestricted Funds --			
	MCCP	Ty Melfed	MCCP	Ty Melfed	Total Funds 2010	Total Funds 2009
	£	£	£	£	£	£
<b>6. Charitable Activities</b>						
Wages and NIC	-	-	153,713	2,406	156,119	156,398
Training	144	-	204	-	348	1,123
Travel Expenditure	-	-	1,238	-	1,238	761
Translation	-	-	223	-	223	230
Subscriptions	-	-	212	-	212	183
Rent of Accommodation	-	-	3,029	-	3,029	2,921
Rates and Water	-	-	386	-	386	509
Heat and Light	-	-	936	626	1,562	1,741
Internet and Telephone	-	-	1,202	529	1,731	2,005
Repairs and Maintenance	59	-	5,593	472	6,124	9,233
Refreshments	-	-	1,023	-	1,023	1,135
Books, Toys and Repairs	172	-	2,517	-	2,689	1,070
Printing, Postage and Stationery	-	-	1,524	-	1,524	2,041
Trips and Activities	29	-	2,350	-	2,379	1,225
Uniforms	-	-	621	-	621	-
Sundry Expenses	-	-	222	-	222	228
Late Filing Penalty	-	-	150	-	150	-
Cleaning	-	-	507	133	640	2,156
Licences and Insurance	-	-	2,211	218	2,429	2,270
Advertising	-	-	143	-	143	250
Professional Fees - Payroll	-	-	613	-	613	1,390
Professional Fees - Other	-	-	500	-	500	3,000
Bank Charges	-	-	40	-	40	39
Depreciation	6,335	-	464	51	6,850	7,518
	<u>6,739</u>	<u>-</u>	<u>179,621</u>	<u>4,435</u>	<u>190,795</u>	<u>197,426</u>
<b>7. Governance Costs</b>						
Accountancy	-	-	1,249	258	1,507	1,472

**MACHYNLLETH**  
**COMMUNITY CHILDREN'S PROJECT Ltd**

**NOTES TO THE ACCOUNTS**

**as at 31st August 2010**

**Continued**

**8. Fixed Assets - tangible assets**

	Leasehold Land and Buildings £	Computers and other Equipment £	Furniture Fixtures and Fittings £	Total £
<b>Cost/Valuation :</b>				
at 1st September 2009	39,992	21,614	11,931	73,537
Expenditure in Year	-	-	512	512
	<u>39,992</u>	<u>21,614</u>	<u>12,443</u>	<u>74,049</u>
<b>Depreciation :</b>				
at 1st September 2009	35,769	13,703	6,516	55,988
Amount provided in year	2,666	3,625	559	6,850
	<u>38,435</u>	<u>17,328</u>	<u>7,075</u>	<u>62,838</u>
<b>Net Book Value at 31st August 2010</b>	<u>1,557</u>	<u>4,286</u>	<u>5,368</u>	<u>11,211</u>
<b>Net Book Value at 31st August 2009</b>	<u>4,223</u>	<u>7,911</u>	<u>5,415</u>	<u>17,549</u>

**9. Debtors**

	2010 £	2009 £
--	-----------	-----------

Fees	<u>2,489</u>	<u>3,639</u>
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**10. Cash at Bank**

	2010 £	2009 £
--	-----------	-----------

Current Accounts	1,920	3,668
Deposit Accounts	<u>29,742</u>	<u>32,002</u>
	<u>31,662</u>	<u>35,670</u>

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

	2010 £	2009 £
--	-----------	-----------

Accruals	1,469	1,430
Other Creditors	<u>253</u>	<u>24</u>
	<u>1,722</u>	<u>1,454</u>

**MACHYNLLETH**  
**COMMUNITY CHILDREN'S PROJECT Ltd**

**NOTES TO THE ACCOUNTS**

**as at 31st August 2010**

**Continued**

**12. Analysis of Total Net Assets between Funds**

	2010		2010		
	--- Restricted Funds ---		-- Unrestricted Funds --		
	MCCP	Ty Melfed	MCCP	Ty Melfed	Total
	£	£	£	£	£
<b>Tangible Fixed Assets :</b>					
Leasehold Land and Buildings :					
Cost	38,192	-	1,800	-	
Depreciation	36,705	-	1,730	-	
Net Book Value	1,487	-	70	-	1,557
Computers and Other Equipment					
Cost	20,317	-	1,297	-	
Depreciation	16,150	-	1,178	-	
Net Book Value	4,167	-	119	-	4,286
Furniture, Fixtures and Fittings :					
Cost	5,037	-	6,674	732	
Depreciation	1,491	-	5,437	147	
Net Book Value	3,546	-	1,237	585	5,368
	9,200	-	1,426	585	11,211
<b>Current Assets :</b>					
Debtors and Prepayments	-	-	2,489	-	2,489
Cash at Bank	2,385	-	29,277	-	31,662
Cash in Hand	-	-	150	-	150
	2,385	-	31,916	-	34,301
<b>Creditors :</b>					
- amounts falling due within one year	-	-	1,464	258	1,722
<b>Net Current Assets</b>	2,385	-	30,452	(258)	32,579
<b>Total Assets less Liabilities</b>	11,585	-	31,878	327	43,790

**MACHYNLLETH**  
**COMMUNITY CHILDREN'S PROJECT Ltd**

**NOTES TO THE ACCOUNTS**

**as at 31st August 2010**

**Continued**

**13. Funds**

	Balance 1st September 2009	Movement in Resources		Inter Fund Transfers	Balance 31st August 2010
	£	Incoming £	Outgoing £	£	£
(a) Unrestricted fund					
MCCP	35,607	169,729	180,870	7,412	31,878
Ty Melfed	1,246	7,027	4,693	(3,253)	327
	<u>36,853</u>	<u>176,756</u>	<u>185,563</u>		<u>32,205</u>
(b) Restricted funds					
MCCP	18,701	3,782	6,739	(4,159)	11,585
Ty Melfed	-	-	-	-	-
	<u>18,701</u>	<u>3,782</u>	<u>6,739</u>		<u>11,585</u>
Totals	<u>55,554</u>	<u>180,538</u>	<u>192,302</u>	<u>-</u>	<u>43,790</u>