

**BLACKSHAW NURSERY**

**(A Company Limited by Guarantee)**

**FINANCIAL STATEMENTS**

**AS AT 31<sup>ST</sup> MARCH 2007**

THURSDAY



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17/01/2008

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COMPANIES HOUSE

P R Willans & Co  
128 High Street  
Edenbridge  
Kent TN8 5AY

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**BLACKSHAW NURSERY**  
**2007 FINANCIAL STATEMENTS**

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## BLACKSHAW NURSERY

### MANAGEMENT COMMITTEE REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007

The Management Committee present their Report and the audited Financial Statements for the year to 31<sup>st</sup> March 2007 which comply with current statutory requirements, the charity's governing documents and the Statement of Recommended Practice – Accounting and Reporting by Charities (SORP 2005)

#### **LEGAL AND ADMINISTRATIVE**

The Nursery is a charitable company limited by guarantee and registered with the Registrar of Companies in England and Wales No 2680299. As a charity, it is registered with the Charity Commission No 1011623. As a company, the Charity is governed by a Memorandum and Articles of Association (dated 22<sup>nd</sup> February 1990) and administered by a management committee. Reference in this report to the Management Committee and Management Committee Members refers to those persons who fulfil the role of Directors in accordance with the Companies Act 1985.

The Members of the Management Committee who all served throughout the accounting year, except where dates indicate otherwise, were -

M O'Connor  
Y Lalgie  
R Meadows  
M Morgan  
J. Scott  
A Erauncetamurguil  
S Deacon

Company Secretary

M Ellis

The Registered Office and Operational Address:

St George's Hospital, Blackshaw Road, London SW17 0QT

Auditor

P R Willans & Co  
128 High Street, Edenbridge, Kent, TN8 5AY

Bankers.

HSBC Bank plc  
117 Balham High Road, London SW12

#### **ORGANISATION**

The Charity is administered by a Management Committee which makes decisions on a majority basis.

Members of the Management Committee are elected at the Annual General Meeting.

## **BLACKSHAW NURSERY**

### **MANAGEMENT COMMITTEE REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007** (Cont'd)

#### **OBJECTS AND PRINCIPAL ACTIVITY**

The main objects of the Charity are to advance the education of children of parents in Wandsworth and surrounding areas, and to provide facilities for recreation and other leisure time activities with a view to improving their conditions of life.

The Management Committee and Trustees would like to express their gratitude for the continued support of St George's Healthcare NHS Trust and Wandsworth Primary Care Trust and to all those concerned with arranging the various grants and donations to the Nursery

#### **ACTIVITIES AND REVIEW**

The Nursery cares for 58 children aged 3 months to 5 years whilst their parents continue with their careers.

To help support the cost of this provision the Nursery receives grants from St George's Healthcare NHS Trust and Wandsworth Primary Care Trust, each Trust partially funding an agreed number of places for their employees

During the year a Laptop computer and a Photocopier were purchased

A pension scheme for staff is in operation with a 3% employer contribution and voluntary staff contributions

The overall financial position at the end of the year was a deficit of £15,857 (2006- £11,405 surplus), although after necessary transfers to Designated and Restricted funds the surplus remaining within Unrestricted Funds was £326 (2006 - £1,772 surplus)

The long term future of the Nursery is being considered with St George's Healthcare NHS Trust. It has been decided that the Nursery will continue as a Self Governing Charity

During August 2005 the building suffered damage through flooding and an insurance claim was made. At the balance sheet date repairs were still ongoing, but it is anticipated that the costs of repairs, apart from the £100 excess will be covered by the Charity's insurers. Fortunately there was no disruption to the Charity's activities and no children were put at risk

**BLACKSHAW NURSERY****MANAGEMENT COMMITTEE REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007**  
(Cont'd)**RESERVES POLICY**

The Trustees endeavour to retain sufficient funds to cover the fixed assets employed within the Charity and approximately three months running costs. This latter sum amounts to £134,520 excluding depreciation. The current free reserves amount to £119,383 in addition to the asset funds and are below the Trustees target for reserves. The level of reserves will continue to be kept under close review. However, as the majority of the reserves are held in cash the Trustees consider the position satisfactory.

**INVESTMENT POLICY AND PERFORMANCE**

The Charity invests any monies not immediately required for its purposes in short term deposits with the Bank of Scotland. The investment return in the region of 3.79% to 4.35% is considered adequate by the Management Committee.

**RISK MANAGEMENT**

The Management Committee has performed a review to identify the major risks to which the Nursery is exposed and systems have been designed to mitigate those risks.

**MANAGEMENT COMMITTEE MEMBERS' RESPONSIBILITIES**

Law requires the Management Committee Members to prepare financial statements for each financial year which give a true and fair view of the Charity's financial activities during the year and of the surplus or deficit of income over expenditure of the Charity for that period and its financial position at the end of the year. In preparing those financial statements, the Management Committee Members are required to -

- (a) Select suitable accounting policies and then apply them consistently
- (b) Make judgements and estimates that are reasonable and prudent
- (c) Follow applicable accounting standards, subject to any material departures disclosed and explained in the financial statements
- (d) Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business

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


**BLACKSHAW NURSERY****MANAGEMENT COMMITTEE REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007**  
(Cont'd)**AUDITOR**

During the year, Messrs P R Willans and Co were appointed as auditors of the charity in accordance with the provision of the Companies Act 1985 and have expressed their willingness to continue in that capacity. A resolution to ratify their appointment is to be made at the forthcoming Annual General Meeting.

**BASIS OF PREPARATION**

This report has been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (issued March 2005) and has been prepared taking advantage of the exemption conferred by Part VII of the Companies Act 1985.

SIGNED ON BEHALF OF THE MANAGEMENT COMMITTEE

  
M O'Connor – Management Committee Member

Date

*2<sup>nd</sup> June 07*

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF

## BLACKSHAW NURSERY

We have audited the financial statements on pages 7 to 18 which comprise the Statement of Financial Activities, Summary Income and Expenditure Account, Balance Sheet and related notes which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 10 and 11.

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

### **RESPECTIVE RESPONSIBILITIES**

As described on page 4, the Committee who are also the Directors of Blackshaw Nursery for the purposes of company law, are responsible for the preparation of the Committee of Management's report and Financial Statements in accordance with applicable law and United Kingdom accounting standards as set out in the Statement of Trustees responsibilities. It is our responsibility to form an independent opinion, based on our audit, on the financial statements and to report our opinion to you.

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 accounts give a true and fair view and are properly prepared in accordance with the Companies Act. We also report to you if, in our opinion, the Committee of Management 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 audit, or if information specified by law regarding Committee of Management members' remuneration and transactions with the Company is not disclosed. We read the other information contained in the Committee of Management's Report, and consider whether it is consistent with the financial statements. We consider the implications of our report if we become aware of any misstatements of material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **BASIS OF OPINION**

We conducted our audit in accordance with 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 judgements made by the directors in the preparation of the financial statements, and to whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance as to whether 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.

### **OPINION**

In our opinion, the financial statements give a true and fair view of the Charitable Company's state of affairs as at 31<sup>st</sup> March 2007 and of its incoming resources and application of resources including its income and expenditure in the year then ended and have been properly prepared in accordance with the Companies Act 1985 applicable to small companies.

*P. R. Willans & Co*  
 P R Willans & Co  
 Registered Auditor  
 Chartered Accountant

128 High Street  
 Edenbridge  
 Kent TN8 5AY

Date

20 June 2007.

# **BLACKSHAW NURSERY**

## **STATEMENT OF FINANCIAL ACTIVITIES** **FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007**

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total Funds 2007 £	Total Funds 2006 £
<b>INCOME AND EXPENDITURE</b>					
<b>Incoming Resources</b>					
Incoming Resources from Operating Activities					
Fee Income	430,393	-	-	430,393	437,734
Grants (Note 2)	85,318	-	8,980	94,298	94,298
Other Donations	-	200	-	200	-
Activities for generating funds	-	2,078	-	2,078	2,353
Investment Income	7,298	-	-	7,298	7,129
Insurance Claim	-	-	-	-	-
<b>TOTAL INCOMING RESOURCES</b>	<u>523,009</u>	<u>2,278</u>	<u>8,980</u>	<u>534,267</u>	<u>541,514</u>
<b>Resources Expended (Note 3)</b>					
Costs of generating funds	-	487	-	487	1,275
Charitable Activities					
Costs of activities in furtherance of the Charity's objects	384,796	-	-	384,796	407,134
Support Costs	129,126	-	-	129,126	89,911
Governance Costs	<u>35,715</u>	<u>-</u>	<u>-</u>	<u>35,715</u>	<u>31,789</u>
<b>TOTAL RESOURCES EXPENDED</b>	<u>549,637</u>	<u>487</u>	<u>-</u>	<u>550,124</u>	<u>530,109</u>
<b>NET (OUTGOING)/INCOMING RESOURCES BEFORE TRANSFERS</b>	(a) <u>(26,628)</u>	<u>1,791</u>	<u>8,980</u>	<u>(15,857)</u>	<u>11,405</u>
Transfers between Funds (Notes 10 & 11)	<u>26,954</u>	<u>(25,814)</u>	<u>(1,140)</u>	<u>-</u>	<u>-</u>
<b>NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR</b>	326	(24,023)	7,840	(15,857)	11,405
Fund Balances b/f at 1 <sup>st</sup> April 2006	<u>191,495</u>	<u>100,177</u>	<u>26,348</u>	<u>318,020</u>	<u>306,615</u>
<b>FUND BALANCES C/F AT 31<sup>ST</sup> MARCH 2007</b>	(c) <u><u>£191,821</u></u>	<u><u>£76,154</u></u>	<u><u>£34,188</u></u>	<u><u>£302,163</u></u>	<u><u>£318,020</u></u>

(a), (b), (c) – These cross reference to the Income and Expenditure Account on page 8

**BLACKSHAW NURSERY**

**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007**

		<u>Notes</u>	<u>2007</u> £	<u>2006</u> £
INCOME			526,969	534,385
LESS: ADMINISTRATIVE EXPENSES	(a)	3	<u>550,124</u>	<u>530,109</u>
OPERATING (DEFICIT)/SURPLUS		4	(23,155)	4,276
BANK INTEREST RECEIVABLE			<u>7,298</u>	<u>,129</u>
(DEFICIT)/SURPLUS FOR THE FINANCIAL YEAR	(b)		(15,857)	11,405
RETAINED INCOME BROUGHT FORWARD			<u>318,020</u>	<u>306,615</u>
<b><u>RETAINED INCOME CARRIED FORWARD</u></b>	(c)		<b><u>£302,163</u></b>	<b><u>£318,020</u></b>

**CONTINUING OPERATIONS**

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

**TOTAL RECOGNISED GAINS AND LOSSES**

The Charity has no recognised gains or losses other than the surplus/(deficit) for the above two financial years

(a), (b), (c) – These cross reference to the Statement of Financial Activities on page 7

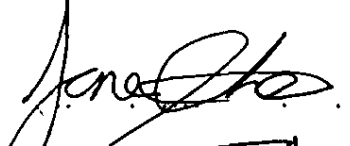
**BLACKSHAW NURSERY****BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2007**

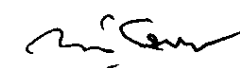
	<u>Notes</u>	<u>2007</u>	<u>2006</u>
		£	£
<b>Fixed Assets</b>			
Tangible Assets	7	148,592	159,007
<b>Current Assets</b>			
Debtors	8	77,681	62,666
Cash at Bank and in Hand		<u>166,710</u>	<u>167,101</u>
		244,391	229,767
<b>Creditors: Amounts falling due within one year</b>	9	<u>(90,820)</u>	<u>(70,754)</u>
<b>NET CURRENT ASSETS</b>		<u>153,571</u>	<u>159,013</u>
<b>NET ASSETS</b>		<u>£302,163</u>	<u>£318,020</u>
<b>CAPITAL AND RESERVES</b>	10-15	<u>£302,163</u>	<u>£318,020</u>
Restricted Funds	10	34,188	26,348
Unrestricted Funds - Designated	11	76,154	100,177
Unrestricted General Fund	12	<u>191,821</u>	<u>191,495</u>
	15	<u>£302,163</u>	<u>£318,020</u>

The Management Committee have taken advantage, in the preparation of these financial statements, of the exemptions available under Part VII of the Companies Act 1985, on the grounds that the Company qualifies as a small company by virtue of Section 247 of the Companies Act 1985

APPROVED BY THE MANAGEMENT COMMITTEE ON

AND SIGNED ON ITS BEHALF BY

  
R. Meadows  
- Management Committee Member

  
M. O'Connor  
- Management Committee Member

## BLACKSHAW NURSERY

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007

#### 1. ACCOUNTING POLICIES

##### (a) **Basis of Accounting**

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards, Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Charities Act 1985

##### (b) **Depreciation of Fixed Tangible Assets**

Depreciation is provided on all tangible assets including freehold property at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life, as follows

Freehold property	- 40 years
Property extension	- 25 years
Equipment	- 5 years
Minibus	- 7 years

##### (c) **Incoming Resources**

Fee income is credited in the period in which it is earned

Voluntary income is received by way of donations and gifts and is included in full in the statement of financial activities when received

Revenue grants are credited to incoming resources in the year to which they relate

Grants for the purchase of fixed assets are credited to restricted incoming resources when receivable

##### (d) **Resources Expended**

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with fundraising.
- Charitable expenditure comprises those costs incurred by the charity in the provision of childcare services. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis.

**BLACKSHAW NURSERY****NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007****(e) Fund Accounting**

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund

Unrestricted funds are donations and other income received or generated for the charitable purposes with no specific request for allocation

Designated funds are unrestricted funds earmarked by the Management Committee for particular purposes

**(f) Directors**

Reference in these accounts to the Management Committee and Management Committee Members refers to those persons who fulfil the role of Directors in accordance with the Companies Act 1985

**(g) Taxation**

As a registered charity, the Company has no liability to United Kingdom taxation

**(h) Cash Flow Statement**

The Charity has taken advantage of the exemption in Financial Reporting Standard No. 1 from producing a cash flow statement on the grounds that it is a small company

**(i) Pension**

The Company has a Group Personal Pension Scheme for all permanent employees. The employer contribution is 3% of gross salary and any employee contribution is voluntary. All contributions are charged to the profit and loss account when due. No material liability for contributions existed at the end of the year.

**BLACKSHAW NURSERY****NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007 (Cont'd)**

2. GRANTS	<u>2007</u> £	<u>2006</u> £
Wandsworth Primary Care Trust		
- Revenue	17,771	17,771
- Capital	1,849	1,849
St George's Healthcare NHS Trust		
- Revenue	67,547	67,547
- Capital	<u>7,131</u>	<u>7,131</u>
	<b><u>£94,298</u></b>	<b><u>£94,298</u></b>

All revenue grants were given as a subsidy towards the salaries and running costs of the charity and have been fully used for this purpose in the financial year

3. TOTAL RESOURCES EXPENDED	<u>Fund raising</u> £	<u>Direct Childcare</u> £	<u>Childcare Support</u> £	<u>Governance Costs</u> £	<u>2007 Total</u> £	<u>2006 Total</u> £
Staff Costs	-	322,549	88,712	31,802	443,063	436,523
Staff Training, Clothing & Recruitment	-	1,259	-	-	1,259	2,572
Nursery Equipment	-	5,711	-	-	5,711	5,758
Nursery Running Costs	-	30,804	-	-	30,804	33,806
Playscheme Costs	-	-	-	-	-	-
Premises	-	8,520	29,714	-	38,234	23,092
Stationery, Postage & Telephone	-	-	4,854	-	4,854	3,448
Fundraising Costs	487	-	-	-	487	1,275
Audit & Accountancy	-	-	-	2,973	2,973	3,358
Legal Costs	-	-	965	-	965	-
Depreciation	-	11,555	-	-	11,555	14,096
Bank Charges	-	-	-	940	940	1,231
Bad Debts	-	4,398	-	-	4,398	-
Miscellaneous	-	-	4,881	-	4,881	4,950
	<b><u>£487</u></b>	<b><u>£384,796</u></b>	<b><u>£129,126</u></b>	<b><u>£35,715</u></b>	<b><u>£550,124</u></b>	<b><u>£530,109</u></b>

**BLACKSHAW NURSERY****NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007 (Cont'd)**

<b>4. ADMINISTRATIVE EXPENSES</b>	<u>2007</u>	<u>2006</u>
	£	£
The surplus for the year is stated after charging		
Depreciation	11,555	14,096
Auditor's Remuneration	1,873	2,300
Accountancy Services	<u>1,100</u>	<u>1,058</u>
The Trustees receive no remuneration or expenses from the Company		
<b>5. STAFF COSTS AND NUMBERS</b>	<u>2007</u>	<u>2006</u>
	£	£
Salaries	376,378	379,176
Social Security Costs	44,176	33,397
Pension Contributions	<u>9,961</u>	<u>10,670</u>
	<u><b>£434,515</b></u>	<u><b>£434,515</b></u>
The average number of employees during the year was		
Direct Childcare	19	19
Childcare Support	3	3
Management and Administration	<u>3</u>	<u>3</u>
	<u><b>25</b></u>	<u><b>25</b></u>

The above numbers include job sharing staff (and playscheme staff for comparatives)

No employee earned more than £60,000 in either of the above financial years

**6. TAXATION**

All income is applied for the main charitable activity of the Nursery and, therefore, any surplus is exempt from corporation tax.

**BLACKSHAW NURSERY****NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007 (Cont'd)****7. TANGIBLE FIXED ASSETS**

	<u>Freehold Building</u> £	<u>Building Improve- ments</u> £	<u>Equipment</u> £	<u>Minibus</u> £	<u>Total</u> £
<b>COST</b>					
At 1 <sup>st</sup> April 2006	220,230	96,752	86,383	17,369	420,734
Additions	-	-	1,140	-	1,140
Disposals	-	-	-	-	-
At 31 <sup>st</sup> March 2007	<u>220,230</u>	<u>96,752</u>	<u>87,523</u>	<u>17,369</u>	<u>421,874</u>
<b>DEPRECIATION</b>					
At 1 <sup>st</sup> April 2006	129,560	38,213	76,585	17,369	261,727
Charge for Year	5,506	3,869	2,180	-	11,555
Eliminated on Disposal	-	-	-	-	-
At 31 <sup>st</sup> March 2007	<u>135,066</u>	<u>42,082</u>	<u>78,765</u>	<u>17,369</u>	<u>273,282</u>
<b>NET BOOK VALUE</b>					
At 31 <sup>st</sup> March 2007	<u>£85,164</u>	<u>£54,670</u>	<u>£8,758</u>	<u>£ -</u>	<u>£148,592</u>
At 31 <sup>st</sup> March 2006	<u>£90,670</u>	<u>£58,539</u>	<u>£9,798</u>	<u>£ -</u>	<u>£159,007</u>

- (a) The Blackshaw Road site consists of two leaseholdings. The Nursery, when incorporated, held a 40 year lease on one with effect from 11<sup>th</sup> May 1981 and a 10 year lease on the other with effect from 11<sup>th</sup> May 1991 (renewed for 20 years to 10<sup>th</sup> March 2021). The latter lease has a break clause entitling the landlords to revocation with six months notice

A rent review was to have been carried out under the lease in May 2005, but has yet to take place

- (b) All the above assets are used for the direct furtherance of the Charity's objects namely the running of the Nursery.

**BLACKSHAW NURSERY****NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007 (Cont'd)**

8. DEBTORS	2007 £	2006 £
Fees	50,165	44,627
Other Debtors	15,833	8,040
Prepayments	<u>11,683</u>	<u>9,999</u>
	<u><b>£77,681</b></u>	<u><b>£62,666</b></u>
9. CREDITORS: Amounts falling due within one year	2007 £	2006 £
Bank Overdrafts	14,976	-
Other Taxes and Social Security Costs	-	-
Nursery Fee Deposits	7,700	7,400
Other Creditors	8,548	1,666
Accruals	<u>59,596</u>	<u>1,688</u>
	<u><b>£90,820</b></u>	<u><b>£70,754</b></u>
10. RESTRICTED FUNDS		
		Capital Fund £
Balance at 1 <sup>st</sup> April 2006		26,348
Incoming Resources		8,980
Outgoing Resources		-
Transfer from General Fund		<u>(1,140)</u>
Balance at 31 <sup>st</sup> March 2007		<u><b>£34,188</b></u>

The Capital Fund has been set up to receive gifts given for capital equipment. The transfer from General Fund represents the capital grant less fixed asset purchases.

**BLACKSHAW NURSERY****NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007 (Cont'd)****11. UNRESTRICTED DESIGNATED FUNDS**

	<u>Fee</u> <u>Reserve</u> £	<u>Toy</u> <u>Reserve</u> £	<u>Contingency</u> <u>Reserve</u> £	<u>Total</u> £
Balance at 1 <sup>st</sup> April 2006	65,788	4,132	30,257	100,177
Incoming Resources	-	2,278	-	2,278
Outgoing Resources	-	(487)	-	(487)
Transfers (to)/from General Fund	(20,000)	-	(5,814)	(25,814)
<b>Balance at 31<sup>st</sup> March 2007</b>	<b><u>£45,788</u></b>	<b><u>£5,923</u></b>	<b><u>£24,443</u></b>	<b><u>£76,154</u></b>

The fee reserve represents monies put to one side to cover any potential bad debts or material drop in fee income. The net transfer to the general fund represents a transfer in of 1% of the fee income for the year and a transfer out of £15,746 representing the reduction in fee income due to unfilled nursery places during the year.

The toy reserve represents the surplus monies received from fund raising set aside for the purchase of toys, equipment and outings less the monies spent on these items during the year. The incoming resources include grants towards toys purchases of £2,078.

The contingency reserve is money set aside to cover any future eventualities not met from any other funds.

**12. UNRESTRICTED GENERAL FUND**

	<u>2007</u> £	<u>2006</u> £
Balance at 1 <sup>st</sup> April 2006	191,495	189,723
Incoming Resources	523,009	530,181
Outgoing Resources	(549,637)	(528,834)
Net transfers from General Fund	<u>26,954</u>	<u>425</u>
<b>Balance at 31<sup>st</sup> March 2007</b>	<b><u>£191,821</u></b>	<b><u>£191,495</u></b>

**BLACKSHAW NURSERY****NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007 (Cont'd)****13. ANALYSIS OF TOTAL NET ASSETS BETWEEN FUNDS**

	<u>Fixed Assets</u> £	<u>Net Current Assets</u> £	<u>Total Assets</u> £	<u>2007</u> £
Restricted Funds	-	34,188	34,188	26,348
Unrestricted Funds				
Designated	-	76,154	76,154	100,177
General	<u>148,592</u>	<u>43,229</u>	<u>191,821</u>	<u>191,495</u>
	<u><b>£148,592</b></u>	<u><b>£153,571</b></u>	<u><b>£302,163</b></u>	<u><b>£318,020</b></u>

14. Blackshaw Nursery is incorporated in Great Britain and is a company limited by guarantee without a share capital. At the accounting date there were seven (2006 – seven) Members of the Management Committee who administer the Company.

Each Member undertakes to contribute such amount as may be required in the event of the winding up of the Company up to a maximum of £1 (one pound) each.

**15. RECONCILIATION OF FUNDS AND MOVEMENT ON FUNDS**

	<u>2007</u> £	<u>2006</u> £
(Deficit)/Surplus for the Financial Year	(15,857)	11,405
Opening Funds at 1 <sup>st</sup> April 2006	<u>318,020</u>	<u>306,615</u>
Closing Funds at 31 <sup>st</sup> March 2007	<u><b>£302,163</b></u>	<u><b>£318,020</b></u>

**BLACKSHAW NURSERY****NOTES TO THE ACCOUNTS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007 (Cont'd)****16. MANAGEMENT COMMITTEE MEMBERS REMUNERATION**

There were no amounts paid to members of the Management Committee in the year either as remuneration or reimbursed expenses. An amount of £1,355 (2006 - £1,355) was paid for an insurance policy to protect the Charity against claims for wrongful actions or negligence by employees and officers of the Company including the Management Committee members.

**17. CAPITAL COMMITMENTS**

At the Balance Sheet date, capital expenditure contracted for but not provided for in the financial statements in the current year comprised £20,539 for building works to be completed in May 2007 and £8,000 for a replacement boiler. No contracts had been placed in respect of the previous year.

**18. OTHER COMMITMENTS**

	<u>2007</u> £	<u>2006</u> £
Expiry date		
Between two and five years	-	-
In more than five years	4,550	4,550

The above leases relate to land and buildings

**19. RELATED PARTY TRANSACTIONS**

There were no related party transactions during the year.

The Company is under the control of the Management Committee who have no financial interest in the Company, as it is a registered charity.

**BLACKSHAW NURSERY****INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007**

	<u>2007</u>	<u>2006</u>
	£	£
<b>INCOME</b>		
Fees	430,393	437,734
Grants	94,298	94,298
Other Donations	200	-
Fundraising Income	2,078	2,353
Bank Interest	7,298	7,129
Insurance claim	-	-
<b>TOTAL INCOME</b>	<u>534,267</u>	<u>541,514</u>
<b>EXPENDITURE</b>		
Salaries, Wages and Pension (including contract staff)	443,063	436,523
Food and Provisions	19,761	17,665
Baby Goods	3,896	4,932
Toys and Play Equipment	5,711	5,758
Rent and Rates	5,737	5,863
Heat and Light	6,729	6,070
Repairs and Maintenance	11,215	3,939
Fundraising	487	1,275
Cleaning Materials	7,147	5,343
Insurance	12,033	10,220
Printing, Postage and Stationery	3,447	2,372
Telephone	1,407	1,076
Staff Advertising	-	1,020
Bank Charges	940	1,231
Legal Fees	965	-
Audit and Accountancy	2,973	3,358
Staff Training	1,259	1,553
Minibus Running Expenses	1,611	1,983
Small Items of Equipment and Consumables	2,520	2,865
Playscheme Costs	-	-
Miscellaneous	2,120	1,310
Depreciation	11,555	14,096
Bad Debts	4,398	4,398
Subscriptions	<u>1,150</u>	<u>1,657</u>
	<u>550,124</u>	<u>530,109</u>
<b>(DEFICIT)/SURPLUS FOR THE PERIOD</b>	<u><u>£(15,857)</u></u>	<u><u>£11,405</u></u>

**BLACKSHAW NURSERY****INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2007****ALLOCATION OF SURPLUS/(DEFICIT) FOR THE PERIOD**

	£	2007 £	£	2006 £
<b>(DEFICIT)/SURPLUS FOR THE PERIOD FOR ALL FUNDS AND ACTIVITIES</b>		(15,857)		11,405
<b>ATTRIBUTABLE TO:-</b>				
Restricted Funds		(7,840)		(7,441)
Unrestricted Designated Funds				
Fees	20,000		1,886	
Toys	(1,791)		(1,078)	
Contingency	<u>5,814</u>		<u>(3,000)</u>	
		<u>24,023</u>		<u>(2,192)</u>
<b>RESIDUAL SURPLUS TRANSFERRED TO GENERAL FUNDS TO MAINTAIN ACTIVITIES</b>		<u><u>£326</u></u>		<u><u>£1,772</u></u>

**This page does not form part of the statutory accounts.**

**BLACKSHAW NURSERY**  
**CHAIRMAN'S ANNUAL REPORT FOR 2006/07**

**Introduction**

**This report covers the financial year 1<sup>st</sup> April 2006 to 31<sup>st</sup> March 2007, and will be presented at the Annual General Meeting (AGM) on 20<sup>th</sup> June 2007.**

**It should be read in conjunction with the Financial Statements report prepared for the nursery by our accountant, Peter Willans. This sets out in great detail the legal and administrative basis upon which the nursery operates and provides a full financial account of our income and expenditure.**

**The Nursery**

**Blackshaw Nursery is a registered charity devoted to the provision of day care for children below school age. Your management committee considers that the nursery has had a satisfactory year. It continues to provide excellent levels of care and service to children and parents. This is, in a very large measure, due to the tireless efforts of the staff of the nursery, led by Mary Ellis (Administrator) and Gladys Kernick (Childcare Co-ordinator).**

**The Past Year**

**As can be seen from the Financial Report & Accounts, we finished the year with a loss of some £11,000. However, we are able to meet this deficit from the reserves which we have built up from the surpluses of earlier years.**

**The causes of this deficit are various but a significant factor has been the change in demand for baby places in the nursery. This, in turn, reflects the Government's new provisions for maternity leave introduced in 2006. This illustrates the need for us to be ready to adjust to the ever changing pattern of demand for places for pre school children.**

**Our finances have also been hit by a rising number of poor payers: in more cases than ever before we have been obliged to resort to a debt collection agency to seek full repayment from parents. We strive to keep our charges as low as possible and consider ourselves to be very reasonable in comparison with other local nurseries. It is essential therefore that everyone pays fully and on time. We have now put in place a standing order system to speed up our collection of fees.**

**We have also worked closely with parents to persuade St. George's to introduce a 'Salary Sacrifice' scheme. These schemes are very popular and offer financial benefits to both parents and their employer. Unfortunately, to date, St. George's has been unable to set up such a scheme: we will continue to press them to do so.**

**The year has been eventful in other ways too. We have had to cope with significant and disruptive property repairs as a result of an under floor water leak and, later, a roof leak. We have also needed to have the gas boiler replaced and commence the five yearly external and internal re-decoration of the whole premises.**

**Finally, I must report that we had to deal with a most unfortunate disciplinary issue concerning a member of staff. This resulted in her being dismissed. This cast a shadow over our team for some weeks but I believe we have now put it behind us. It was especially unfortunate as we have a**

**dedicated and hard working team who provide an excellent level of childcare day by day to all our children.**

**I would formally like to thank my fellow trustees on the management committee for their support and hard work throughout the year; the parents for their loyalty and support; the local NHS organisations for their continuing support and, above all, the management team of the nursery and their staff for keeping the show on the road.**

**Michael O'Connor  
Chair  
June 2007**

## **ORGANISATION OF THE NURSERY**

### **INTRODUCTION**

**Blackshaw Nursery cares for 58 children aged 3 months to 5 years. The Nursery first opened in the then new purpose-built building in January 1982.**

### **NURSERY MANAGEMENT TEAM**

**The management of the Nursery consists of Gladys Kernick, Childcare Co-ordinator, who is responsible for the running of the Nursery and management of staff.**

**Mary Ellis, the Administrator, whose duties include financial accounting, administration, health and safety and assisting with childcare issues and staff management.**

**Jemma Glasspool, the Deputy Childcare Co-ordinator, who covers in Gladys's absence and is also the 3 – 5 years Supervisor.**

**Claire Cooper is our new Nursery Supervisor, based in the Baby Room, and is the under two's Supervisor.**

### **NURSERY STRUCTURE**

**The Nursery is organised as follows:**

#### **Baby Room – 12 children aged 3 months to 1 year**

##### **Staffing**

**Claire Cooper  
Anne Ellis  
Lisa Payne  
Maureen O'Neil**

**Tweenie Room – 12 children aged 1 - 2 years**

**Staffing**

**Mary Essien  
Sana Munawar  
Kerry Yalden  
Fareeda Quadri**

**Toddler Room – 13 children aged 2 – 3 years**

**Staffing**

**Patricia Asante  
Tina Wright  
Carla Levon/Ligia Figueria (job-sharers)  
Terrieka Cole**

**School Room – 21 children aged 3 – 5 years**

**Staffing**

**Jemma Glasspool  
Mandy Parris  
Sharmila Humphrey  
Karolina Fedyna**

**The Nursery also employs a childcare floater who covers in rooms as required. This is currently:**

**Stacey Stretton**

### **Kitchen**

**Vida Barnes**

### **Office**

**Mary Ellis**

**Gladys Kernick**

**Tess Roberts**

### **Cleaning**

**Undertaken by Mediclean.**

### **Management Committee/Trustees**

<b>Michael O'Connor</b>	<b>Chair</b>
<b>Ruth Meadows</b>	<b>Trustee</b>
<b>Jane Fisher</b>	<b>Trustee</b>
<b>Yvonne Lalgie</b>	<b>Trustee</b>
<b>Alicia Erauncetamurguil</b>	<b>Trustee</b>
<b>Catherine Lawson</b>	<b>Trustee</b>
<b>Sandra Mullender</b>	<b>Trustee</b>

### **Parent's Reps**

**Rohan Taylor**

**The trustees of the nursery are volunteers. They offer their knowledge and support to the nursery managers at committee meetings and in between time when necessary.**

**We would like to formally thank all of them for their time and input – we are very grateful.**

**Mary Ellis**

**June 2007**