

Charity Registration No 1085397

Company Registration No 04013169 (England and Wales)

CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
MANAGEMENT COMMITTEE REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 30 JUNE 2012

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CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
LEGAL AND ADMINISTRATIVE INFORMATION

Management Committee	Mrs Debbie Mitchell (Chair) Miss Clare Telford Mrs Joanne Massey Mr David Warmington Mr Ian Whitaker Mrs Zoie Tillman Mr John Fletcher
Secretary	Mr Christopher Cale
Charity number	1085397
Company number	04013169
Principal address	Clifton-upon-Teme Early Years Centre The Village Clifton-upon-Teme Worcestershire WR6 6DH
Registered office	Clifton-upon-Teme Early Years Centre The Village Clifton on Teme Worcs WR6 6DH
Independent examiner	Kendall Wadley LLP Granta Lodge 71 Graham Road Malvern Worcestershire WR14 2JS
Bankers	Lloyds TSB 48 Belle Vue Terrace Malvern Worcestershire WR14 4QG
Solicitors	Stallard March and Edwards LLP 8 Sansome Walk Worcester WR1 1LW

CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
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CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
MANAGEMENT COMMITTEE REPORT
FOR THE YEAR ENDED 30 JUNE 2012

The Management Committee presents its report and accounts for the year ended 30 June 2012

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 memorandum and articles of association, applicable law and the requirements of the Statement of Recommended Practice, "Accounting and Reporting by Charities" issued in March 2005

Structure, governance and management

Clifton-upon-Teme Nursery Ltd is a charitable company limited by guarantee incorporated on 12 June 2000 and registered as a charity on 6 March 2001. The company was established under a Memorandum of Association that established the objects and powers of the charitable company and is governed under its Articles of Association. In the event of the company being wound up, members of the company are required to contribute an amount not exceeding £5. The total number of such guarantees at 30 June 2012 remains at 23.

The members of the Management Committee, who are also the directors for the purpose of company law, who served during the year were

Mrs Debbie Mitchell (Chair)

Mr Ian Whitaker

Mrs Diane Loader

(Resigned 24th December 2012)

Mr David Warmington

Mrs Zoie Tillman

(Appointed 15th March 2012)

Mrs Ginny Joyce

(Resigned 15th May 2012)

Mrs Joanne Massey

Mrs Claire Elliott-Linfield

(Resigned 8th March 2012)

Mr John Fletcher

(Appointed 15th March 2012)

Miss Clare Telford

(Appointed 24th December 2012)

The current Management Committee consists of seven members and we intend to ensure that the community continues to be well represented and that the number of Committee Members will if possible be maintained at least at seven.

The directors of the Company, who are also charity Trustees for the purposes of charity law and under the Company's Articles, are known as Members of the Management Company. Under the requirements of the Memorandum and Articles of Association the members of the Management Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General meeting. Jo Massey retires by rotation and does not offer herself for re-election.

As Trustees, we continue to develop appropriate policies to ensure sound management of the setting and to support our staff. The Nursery Manager has day-to-day responsibility for operational management and she is supported by her staff to deliver the relevant childcare services to our families.

Many of the staff team have extended their qualifications in Early Years & Childcare with thirteen qualified to a minimum of NVQ level three. Two members of the team have an Honours Degree in Early Years and Childcare, of which one has recently achieved Early Years Professional Status. The Nursery is committed to continuous professional development and this includes ensuring that staff with a relevant degree qualification have the opportunity to complete the Early Years Professional Status (EYPS) qualification. It is a Government objective that all nurseries have an EYPS qualified staff member by 2015.

CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
MANAGEMENT COMMITTEE REPORT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2012

The work of the Nursery involves childcare for children in the community and the Management Committee seeks to ensure that the community is represented with an accent on education, health and welfare skills. The Trustees regularly assess their skill base to identify areas where additional skills will be beneficial to the team. In addition to the skill mix required to deliver the objectives of the organisation, the more traditional business skills are well represented on the Management Committee.

Our nursery is very much part of the community and as a result we encourage members of the community to be involved either as trustees and/or volunteers. To support both trustees and volunteers, we have developed an induction process and where relevant instigate related training sessions to enable the Trustees and volunteers to familiarise themselves with the charity and its specific operations. New Trustees spend time with the staff and management to understand the role of the Nursery and how they might contribute to its successful operation.

Under the Memorandum and Articles of Association, the charitable company has the power to make any investment which the Trustees see fit.

The Management Committee understands the principal areas of operation of the Nursery and how the team - staff, Trustees and volunteers - interact with children and their families. Such relationships justify careful assessment of risk, both personal and physical, not only when services are being delivered within the nursery boundaries but also when in outreach locations such as local village buildings or on trips to other locations.

Risk assessment on all issues relating to the health, welfare and safety of the children and staff is an integral part of our policies and procedures. Our Health & Safety procedures have recently been reviewed to ensure compliance with our own stringent requirements, those of Ofsted who oversee our performance through regular inspections and sensible assessment of the overall needs of the Nursery to ensure our staff are well supported. Included in this process is the need to ensure that all staff, Trustees and relevant volunteers are DBS checked in order that they can be fully involved in the services offered by the Nursery.

Objectives and activities

The company is a charity and exists to deliver its objects in the village of Clifton-upon-Teme and surrounding community via the Clifton-upon-Teme Early Years Centre.

The objects of the charity are to support the development of children under school age within the village of Clifton-upon-Teme and its immediate environs ("the Community") by

- (i) providing quality day care and education for babies and children between three months and statutory school age
- (ii) supporting parents in rural areas requiring day care for their children in order that they can attend to other responsibilities where it would be inappropriate to have children with them (for example - but not excluding other responsibilities - returning to work, furthering their education or serving the community)
- (iii) creating an environment where information and support can be given to those desiring to enhance family skills and values and promote lifelong learning
- (iv) subject to the above any other charitable purpose for the benefit of children in the Community as the trustees from time to time determine

Public benefit statement

The Management Committee confirm that they have paid due regard to the guidance given by the Charity Commission on public benefit.

Achievements and performance

During 2011/2012 numbers on the register remained steady, however we did see a shift away from children attending 'all year round' to 'term-time only' which is unsurprising given the country's current economic pressures.

**CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
MANAGEMENT COMMITTEE REPORT (CONTINUED)**

FOR THE YEAR ENDED 30 JUNE 2012

The nursery continued to offer places covered by Nursery Education Funding scheme via Worcestershire County Council where there was an increase from £31,210 for 2010/11 to £34,756 for 2011/12

Our partnership with Teme Valley Children's Centre (TVCC) continued to reduce during the year as TVCC became involved with a much greater geographical area

Our staff continue to be committed and enthusiastic towards the high quality care of our children and still work hard to enhance their skills and formal qualifications. Thanks to all their efforts, well over 80% of our permanent staff are qualified to a minimum of level three in childcare - above the norm expected by Ofsted

The after-school club - Whizz Kids - located in the Clifton-upon-Teme Village School saw a rise in after-school occupancy levels benefitting from the new intake of younger children into the school from the nursery. The Summer Holiday Club was supported by local families and children from other local communities

Financial review

The shift from 'all-year round' to 'term-time only' mentioned above impacted upon our financial performance for 2011/12 with fees being lower as a result but expenditure has also been controlled

The total incoming resources for the year amounted to £187,584 (£195,674). Total resources expended were £203,855 (£216,853)

Depreciation of £8,181 produced a deficit of £16,271 (£21,179)

Reserve policy

In 2007 we sought to create an objective of free reserves equivalent to 4 months income - a financial objective of about £50,000 based on an average annual income of £150,000. 2012 free reserves have now dropped to £31,990 (2011 £42,772). This objective therefore remains elusive. However we believe that the current levels of turnover are the maximum we might expect (subject to inflationary influences) and as a result we can now work towards the free reserves objective. We must however remain mindful of the need for an asset renewal/replacement policy to ensure we maintain the Nursery to a high standard.

Asset cover for funds

Note 13 sets out an analysis of the assets attributable to the various funds. These assets are sufficient to meet the charity's obligations on a fund by fund basis.

Plans for the future

The nursery will continue to work for the community, supporting all families who wish to benefit from childcare. This will include those families who live in isolation or who find meeting the fees of childcare challenging. We will continue to provide support and, where possible, subsidy to enable children and their families to benefit from the social experience of childcare. The organisation will continue to work with the TVCC, County and other agencies to meet the national objectives set out under 'Every Child Matters'. In addition we will seek to support older children via Whizz Kids after-school and holiday clubs.

On behalf of the board of Management Committee



Mrs Debbie Mitchell (Chair)

Dated 19 March 2013

**CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
INDEPENDENT EXAMINER'S REPORT**

TO THE MANAGEMENT COMMITTEE OF CLIFTON-UPON-TEME NURSERY LIMITED

I report on the accounts of the for the year ended 30 June 2012, which are set out on pages 5 to 13

Respective responsibilities of Management Committee and examiner

The who are also the directors of Clifton-upon-Teme Nursery Limited for the purposes of company law, are responsible for the preparation of the accounts. The Management Committee 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

- (i) examine the accounts under section 43 of the 1993 Act,
- (ii) 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
- (iii) 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

- (a) which gives me reasonable cause to believe that in any material respect the requirements
 - (i) to keep accounting records in accordance with section 386 of the Companies Act 2006, and
 - (ii) 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
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

Elizabeth Needham ACA
for and on behalf of Kendall Wadley LLP
Member of the Institute of Chartered Accountants in England and Wales
Granta Lodge
71 Graham Road
Malvern
Worcestershire
WR14 2JS

Dated 19 March 2013

CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2012

	Notes	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
<u>Incoming resources from generated funds</u>					
Voluntary income	2	36,051	1,000	37,051	39,935
Activities for generating funds		150,526	-	150,526	155,722
Investment income	3	7	-	7	17
Total incoming resources		186,584	1,000	187,584	195,674
<u>Resources expended</u>					
Charitable activities	4				
Operating costs - Early Years Centre		196,106	6,539	202,645	211,443
Governance costs	6	1,210	-	1,210	5,410
Total resources expended		197,316	6,539	203,855	216,853
Net expenditure for the year/ Net movement in funds		(10,732)	(5,539)	(16,271)	(21,179)
Fund balances at 1 July 2011		42,722	55,597	98,319	119,498
Fund balances at 30 June 2012		31,990	50,058	82,048	98,319

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006

CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET

AS AT 30 JUNE 2012

	Notes	2012 £	£	2011 £	£
Fixed assets					
Tangible assets	10		60,422		68,143
Current assets					
Debtors	11	17,171		8,123	
Cash at bank and in hand		15,782		37,713	
		32,953		45,836	
Creditors amounts falling due within one year	12	(11,327)		(15,660)	
Net current assets			21,626		30,176
Total assets less current liabilities			82,048		98,319
Income funds					
Restricted funds	13		50,058		55,597
Unrestricted funds			31,990		42,722
			82,048		98,319

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 30 June 2012. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing accounts which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its incoming resources and application of resources, including its income and expenditure, for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

The accounts were approved by the Board on 19 March 2013.



Mrs Debbie Mitchell (Chair)



Mrs Joanne Massey

Company Registration No 04013169

CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2012

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 Financial Reporting Standard for Smaller Entities (effective April 2008), the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006

1.2 Incoming resources

All incoming resources becoming available to the Company are recognised in the Statement of Financial Activities as soon as it is prudent and practicable to do so. Resources relating to a specific time period are recognised over that period. Grants and donations intended for specific purposes are credited to a restricted fund.

1.3 Resources expended

"Direct Charitable Expenditure" comprises all expenditure directly relating to the objects of the Company and includes the cost of supporting charitable activities and projects. Expenditure from restricted funds is disclosed in the Statement of Financial Activities and charged against the relevant fund. Administration and fundraising expenses relate to the administration, co-ordination and promotion of the Company. Overhead costs are apportioned on the basis of staff costs.

1.4 Tangible fixed assets and depreciation

Items of equipment are capitalised where the purchase price exceeds £500 or where the aggregate value of expenditure relating to a particular asset exceeds £500.

Depreciation - on a straight line basis - is provided on all tangible fixed assets, so as to write off the cost of the assets over their estimated useful lives as follows:

Property	20 years
Property improvements	5 years
Equipment	5 years
Fixtures and fittings	10 years

Property, property improvements and equipment is partly funded by Restricted Funds and as a result, depreciation has been allocated pro-rata between Restricted and Unrestricted Funds to properly apply this cost to the relevant Reserve.

1.5 Accumulated funds

Funds held by the charity are:

Unrestricted General Funds - these are the funds which can be used in accordance with the charitable objects at the discretion of the trustees.

Restricted Funds - these are the funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for a particular restricted purpose.

CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2012

2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2012 £	Total 2011 £
Donations and gifts	270	-	270	3,097
Grants receivable for core activities	35,781	1,000	36,781	36,838
	<u>36,051</u>	<u>1,000</u>	<u>37,051</u>	<u>39,935</u>
Grants receivable for core activities				
Unrestricted funds				
Nursery Education Grant			34,756	31,210
General donations			198	-
Fundraising events			827	1,893
			<u>35,781</u>	<u>33,103</u>
Restricted funds				
Worcestershire Early Years			1,000	3,735
			<u>1,000</u>	<u>3,735</u>

3 Investment income

	2012 £	2011 £
Interest receivable	<u>7</u>	<u>17</u>

4 Total resources expended

	Staff costs £	Depreciation £	Other costs £	Total 2012 £	Total 2011 £
Charitable activities					
<u>Operating costs - Early Years Centre</u>					
Activities undertaken directly	165,767	8,180	28,698	202,645	211,443
Governance costs	20	-	1,190	1,210	5,410
	<u>165,787</u>	<u>8,180</u>	<u>29,888</u>	<u>203,855</u>	<u>216,853</u>

CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2012

5 Activities undertaken directly

	2012	2011
	£	£
Other costs relating to Operating costs - Early Years Centre comprise		
Training and quality assurance	291	286
Consumables	6,662	11,232
Premises expenses	10,318	10,549
Communications	1,058	952
Insurance	1,812	1,598
Stationery and postage	1,765	2,835
Sundry office expenses	1,541	1,271
Small capital items	121	1,311
Toys	205	1,144
Miscellaneous expenditure	1,708	150
Marketing	735	723
Service deliverers	1,523	2,917
Computer software costs	913	611
Travel expenses	46	762
	28,698	36,341

6 Governance costs

	2012	2011
	£	£
Other governance costs comprise		
Independent examination	990	985
Accountancy and bookkeeper fees	-	4,225
Sundry office expenses	200	200
	1,190	5,410

7 Management Committee

None of the Management Committee (or any persons connected with them) received any remuneration during the year

CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2012

8 Employees

Number of employees

The average full time equivalent weekly number of employees during the year was

	2012	2011
	Number	Number
Management	1	1
Nursery staff	9	9
	10	10
Employment costs	2012	2011
	£	£
Wages and salaries	158,297	158,022
Social security costs	7,490	8,100
	165,787	166,122

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

9 Taxation

The charitable company is exempt from corporation tax on its activities

CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2012

10 Tangible fixed assets

	Property £	Property improvements £	Equipment £	Fixtures and fittings £	Total £
Cost					
At 1 July 2011	95,733	23,085	8,999	17,256	127,075
Additions	-	-	-	459	459
At 30 June 2012	95,733	23,085	8,999	17,715	127,534
Depreciation					
At 1 July 2011	47,426	5,672	8,999	14,832	58,931
Charge for the year	4,805	2,311	-	1,065	8,181
At 30 June 2012	52,231	7,983	8,999	15,897	67,112
Net book value					
At 30 June 2012	43,502	15,102	-	1,818	60,422
At 30 June 2011	48,307	17,413	-	2,423	68,143

11 Debtors

	2012 £	2011 £
Trade debtors	14,999	6,378
Prepayments and accrued income	2,172	1,745
	17,171	8,123

12 Creditors amounts falling due within one year

	2012 £	2011 £
Trade creditors	1,207	344
Taxes and social security costs	990	1,600
Other creditors	5,184	5,032
Accruals	3,946	8,684
	11,327	15,660

CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2012

13 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 1 July 2011 £	Movement in funds		Balance at 30 June 2012 £
		Incoming resources £	Resources expended £	
Nursery Building Fund	41,000	-	(4,100)	36,900
Staff Development and Training Fund	-	1,000	(480)	520
Property Improvement Fund	14,597	-	(1,959)	12,638
	<u>55,597</u>	<u>1,000</u>	<u>(6,539)</u>	<u>50,058</u>

The Nursery Building Fund represents funds received from The Community Fund and Vital Villages for the purchase of the nursery building. Depreciation charges and repair work can be offset against this fund.

The Staff Development and Training Fund represents monies received from Worcestershire County Council to provide staff with training and development and to provide the Charitable Company with staff cover during these periods.

The property improvement fund represents funds received for improving the property. The expenditure from this fund has been capitalised, with the depreciation charge being offset against the fund.

14 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 30 June 2012 are represented by			
Tangible fixed assets	10,884	49,538	60,422
Current assets	32,433	520	32,953
Creditors amounts falling due within one year	(11,327)	-	(11,327)
	<u>31,990</u>	<u>50,058</u>	<u>82,048</u>

CLIFTON-UPON-TEME NURSERY LIMITED
(A COMPANY LIMITED BY GUARANTEE)
BALANCE SHEET (CONTINUED)

AS AT 30 JUNE 2012

15 Related parties

Clifton-upon-Teme Nursery Limited has a Commercial service level agreement with Clifton-upon-Teme Children's Centre Limited, now owned by Banardo's and known as Teme Valley Children's Centre. During the year Clifton-upon-Teme Nursery Limited invoiced amounts totalling £36 (2011 £172) for childcare to support families either on a low income and/or when they are attending courses delivered by the Children's Centre. At the year end £346 (2011 £310) was due to Clifton-Upon-Teme Primary School under this arrangement.

During the year Mr Ian Whitaker, Mrs Joanne Massey, Mrs Diane Loader and Mrs Claire Elliot-Linfield, who are also members of the management committee, used the services provided by Clifton-Upon-Teme Nursery Limited to the value of £5,332 (2011£9,746) on an arms length basis.