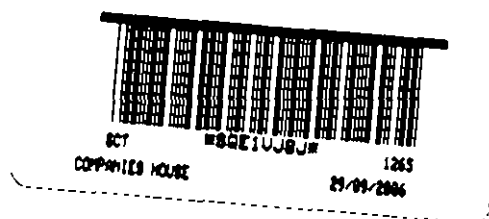


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Report of the Trustees and
Financial Statements for the Year Ended 31 March 2006
for
ST. ROCH'S CHILDCARE SERVICE

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ST. ROCH'S CHILDCARE SERVICE

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for the Year Ended 31 March 2006

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ST. ROCH'S CHILDCARE SERVICE

Legal and Administrative Information for the Year Ended 31 March 2006

CONSTITUTION

St. Roch's Childcare Service is a company Limited by guarantee and a registered charity governed by its memorandum and articles of association.

COMPANY NUMBER: 238421 (Scotland)

CHARITY NUMBER: SC030280

DIRECTORS AND TRUSTEES

The directors of the charitable company ('the charity') are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees. As set out in the Articles of Association there are two categories of trustee; Member trustees and Co-opted trustees. The minimum number of trustees is 5, and the maximum number of trustees is 9 out of which no more than 3 can be Co-opted trustees. Member trustees can be appointed at any time but must retire at the first general meeting following appointment. In addition at each annual general meeting the two member trustees who have been longest in office since they were last appointed shall retire from office. Member trustees may be re-appointed at the annual general meeting. Co-opted trustees can be appointed at any time but must vacate office at each annual general meeting. Following the annual general meeting, the Member trustees may re-appoint Co-opted trustees.

TRUSTEES:

T Bain
M J Jones
J Morrisson
L Nisbet
F Scott
H Ward

CHAIRMAN:

J Morrisson

COMPANY SECRETARY:

L Nisbet

REGISTERED OFFICE:

St. Roch's Primary School
267 Royston Road
GLASGOW
G21 2BS

AUDITORS:

Sharles CA
Registered Auditors
29 Brandon Street
HAMILTON
ML3 6DA

BANKERS:

Clydesdale Bank PLC
St Rollox Branch
66 Queen Street
GLASGOW
G1 3DS

ST. ROCH'S CHILDCARE SERVICE

Report of the Trustees for the Year Ended 31 March 2006

The trustees present their report with the financial statements of the charity for the year ended 31 March 2006.

Legal and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of associations and the Statement of Recommended Practice – Accounting and Reporting by Charities.

OBJECTIVES & ACTIVITIES

The objects of the charity are:

- To advance education through:
 - The provision and supervision of learning-orientated activities for school and pre-school children, and primarily those resident within the area served by North Glasgow Social Inclusion Partnership ("the Operating Area")
 - The provision of care, guidance, instruction, activities and support directed towards addressing the special educational needs of school and pre-school children (and primarily those resident within the Operating Area) who come from a home environment and/or single parent family that is disadvantaged by way of its economic circumstances and/or social isolation.
- To promote and/or provide training in the skills associated with the care and supervision of school and pre-school children (and primarily those resident within the Operating Area)
- To relieve poverty particularly among the residents of the Operating Area, in particular (but without prejudice to that generality)
 - by releasing poor individuals (whether parents or guardians) having the care of school and/or pre-school children to attend training courses and programmes which are directed towards the acquisition of skills which will assist such individuals in obtaining employment; or
 - by allowing poor individuals (whether parents or guardians) having the care of school and/or pre-school children to maintain themselves in paid employment.
- To promote, conduct and/or support such other charitable projects and programmes for the benefit of the community within the Operating Area as the trustees may consider appropriate from time to time

In furtherance of these objects, but not otherwise, the charity shall have the following powers:

- To promote, establish, develop, operate and/or support nursery and/or childcare facilities within the Operating Area, which may include (without prejudice to that generality) extended daycare for children of pre-school age, out-of-school childcare projects, breakfast clubs, and school clubs.
- To advise in relation to, prepare, organise and/or conduct, educational and training courses and programmes.
- To provide advice and support to people wishing to relieve their poverty through self-employment in the field of childcare services.
- To promote, construct, establish and/or manage a centre providing facilities for childcare, and accommodation for public and third sector organisations and agencies which provide services which are of benefit to the community within the Operating Area.
- To stimulate the formation of, and support, community groups and other bodies operating within the voluntary sector whose activities further the aims of the company or are otherwise directed towards some charitable purpose.
- To design, prepare, publish and/or distribute information packs, leaflets, books, newsletters, magazines, posters and other publications, audio and video recordings, multi-media products and display materials, and to establish and maintain websites and other electronic means for sharing information.
- To carry on any other activity which may be advantageously carried on in connection with any of the objects of the company.

ORGANISATION

The board of trustees, who meet every month, administers the charity. The board may delegate powers to any committee consisting of one or more trustees.

ST. ROCH'S CHILDCARE SERVICE

Report of the Trustees for the Year Ended 31 March 2006

ACHIEVEMENTS & PERFORMANCE

The results for the year and financial position of the charity are as shown in the annexed financial statements.

We continue to operate from four sites within the 'Royston Corridor' providing childcare from six weeks to first year secondary education. The provision of services currently on offer is as follows:

i) St Roch's Primary School

- 9 baby places covering six weeks to one year old
- 9 baby places covering one to two years of age
- 40 out of school care places covering Primary 1 to First Year Secondary

ii) Millburn Centre

- 15 childcare spaces covering two to three years of age

iii) St Roch's Secondary School

- 40 childcare spaces covering three to five years of age

iv) St Gilbert's Primary School

- 15 out of school care places covering Primary 1 to First Year Secondary.

The Service continues to attract a demand for childcare places that it cannot meet.

During 2005/06 the Service continued to pursue the development of services in the Glenconner site.

The introduction of the new minibuses has allowed the Service to expand the range and scope of the services it can offer the children. This has been well received by both parents and children.

PLANS FOR FUTURE PERIODS

Full planning permission has been obtained and a lease agreed for the Glenconner site. We will now review our business plan and make funding applications for a £6 million capital spend and future revenue spend to continue our service.

FINANCIAL REVIEW

Given that the St Roch's Childcare Service operates on a year to year basis, reserves are not built up or created. At the start of each financial year, funding streams are in place to support that year's budgeted expenditure. The parental contribution is calculated on the basis that it must cover the net budget after taking account of agreed grant income for the coming financial year.

Health and Safety policies backed up by Health & Safety audits are in place throughout the St Roch's Childcare Service. The Trustees are well aware of the risks within the project and have asked for these to be a regular feature of Board Meetings.

Under the memorandum and articles of association, the charity has the power to make any investment which the trustees see fit.

TRUSTEES

The trustees during the year under review were:

T Bain	- appointed 01.10.05
S Bryson	- resigned 30.09.05
N Carlton	- resigned 30.09.05
A Findlay	- resigned 30.09.05
M J Jones	
D Lawson	- resigned 30.09.05
S Rajkumar	- resigned 30.09.05
M Richardson	- resigned 30.09.05
J Morrisson	- appointed 01.10.05
L Nisbet	- appointed 01.10.05
F Scott	- appointed 31.05.05
H Ward	- appointed 31.05.05

ST. ROCH'S CHILDCARE SERVICE

Report of the Trustees (continued)
for the Year Ended 31 March 2006

STATEMENT OF TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its surplus or deficit for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- make sound judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed, subject to departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees 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 fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the charity's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

AUDITORS

The auditors, Charles CA, will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

ON BEHALF OF THE BOARD:



M Jones - Trustee X

Dated: 18th September 2006

ST. ROCH'S CHILDCARE SERVICE

Report of the Independent Auditors to the Members of
St. Roch's Childcare Service

We have audited the financial statements of St. Roch's Childcare Service for the year ended 31 March 2006 on pages six to thirteen. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to the charity'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 charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As described in the Statement of Trustees Responsibilities, the charity's trustees are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 Report of the Trustees is not consistent with the financial statements, if the charity 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 charity is not disclosed.

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

Basis of audit opinion

We conducted our audit in accordance with International Standards of Auditing (UK and Ireland) 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity'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 also evaluated the overall adequacy of the presentation of information in the financial statements. We have undertaken the audit in accordance with the requirements of APB Ethical Standards including APB Ethical Standard – Provisions available for Small Entities, in the circumstances set out in note 1 to the financial statements.

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 31 March 2006 and of its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with the Companies Act 1985.



Charles CA
Registered Auditors
29 Brandon Street
HAMILTON
ML3 6DA

Dated: 18th September 2006

ST. ROCH'S CHILDCARE SERVICE

**Statement of Financial Activities (including Income and Expenditure Account)
for the Year Ended 31 March 2006**

	Notes	Unrestricted Funds £	Restricted Funds £	Total Funds 2006 £	Total Funds 2005 £
INCOMING RESOURCES					
Incoming resources from generated funds					
- Voluntary income	3	29,628	473,965	503,593	515,214
- Activities for generating funds	3	286,029	-	286,029	243,592
- Investment income	3	9,291	-	9,291	326
TOTAL INCOMING RESOURCES		324,948	473,965	798,913	759,132
RESOURCES EXPENDED					
Charitable activities	4	173,563	297,232	470,795	444,109
Governance costs	4	164,391	176,733	341,124	313,842
TOTAL RESOURCES EXPENDED		337,954	473,965	811,919	757,951
NET INCOME/ (EXPENDITURE) BEFORE TRANSFERS					
Transfers between funds	14&15	(13,006)	-	(13,006)	1,181
NET MOVEMENT IN FUNDS FOR YEAR		(13,006)	-	(13,006)	1,181
Total funds brought forward		20,610	-	20,610	19,429
TOTAL FUNDS CARRIED FORWARD	14&15	7,604	-	7,604	20,610

CONTINUING OPERATIONS

All incoming resources and resources expended derive from continuing operations.

TOTAL RECOGNISED GAINS AND LOSSES

The statement of financial activities includes all gains and losses recognised in the year and in previous years.

The notes form part of these financial statements

ST. ROCH'S CHILDCARE SERVICE

Balance Sheet
31 March 2006

		<u>2006</u>		<u>2005</u>	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	8		12,777		37,622
CURRENT ASSETS:					
Debtors	9	19,080		78,907	
Cash at bank and in hand		<u>166,796</u>		<u>193,203</u>	
		185,876		271,110	
CREDITORS: Amounts falling due within one year	10	<u>191,049</u>		<u>282,683</u>	
NET CURRENT LIABILITIES:			<u>(5,173)</u>		<u>(10,573)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES:			7,604		27,049
CREDITORS: Amounts falling due after more than one year	11		-		<u>(6,439)</u>
NET ASSETS			<u>£7,604</u>		<u>£20,610</u>
RESTRICTED FUNDS	15		-		-
UNRESTRICTED FUNDS	14		<u>£7,604</u>		<u>£20,610</u>
	16		<u>£7,604</u>		<u>£20,610</u>

ON BEHALF OF THE BOARD:



M Jones - Trustee

Approved by the Board on 18th September 2006

The notes form part of these financial statements

ST. ROCH'S CHILDCARE SERVICE

Notes to the Financial Statements for the Year Ended 31 March 2006

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities issued in March 2005 and applicable accounting standards and the Companies Act 1985.

APB Ethical Standard – Provisions Available for Small Entities

In common with many other charities of our size and nature we use our auditors to assist with the preparation of the financial statements.

Financial Reporting Standard Number 1

Exemption has been taken from preparing a cash flow statement on the grounds that the charity qualifies as a small company.

Incoming resources

Income from grants, donations, rents, interest receivable and all other sources are included in incoming resources in the period in which they are receivable.

Expenditure

All expenditure is included on an accruals basis and is recognised where there is a legal or constructive obligation to pay for expenditure. All expenditure has been directly attributed to one of the functional categories of resources expended in the Statement of Financial Activities. The charity is not registered for VAT and therefore all expenditure is shown gross of irrecoverable VAT.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Nursery equipment	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Minibuses	- 25% on cost

When the proposed capital development opens in two years time the assets, with the exception of the minibuses, will have no value and will not be transferred to the new development. Additional depreciation will be charged on these assets over the three year period ending 31 March 2007 to fully write down these assets.

Pensions

The company operates a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension charge represents contributions payable by the company to the fund.

Fund accounting

Funds held by the charity are either:

Unrestricted general funds - these are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds - these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

ST. ROCH'S CHILDCARE SERVICE

Notes to the Financial Statements for the Year Ended 31 March 2006

2. LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding-up is limited to £1.

3. INCOMING RESOURCES

	2006 £	2005 £
Voluntary income		
Grants receivable	<u>503,593</u>	<u>515,214</u>
Activities for generating funds		
Generated income	<u>286,029</u>	<u>243,592</u>
Investment income		
Bank interest received	<u>9,291</u>	<u>326</u>

4. CHARITABLE EXPENDITURE

	2006 £	2005 £
Charitable activities		
Salaries, social security costs and pensions	435,254	374,847
Sessional costs	-	38,709
Trips and outings	3,408	4,357
Educational materials and consumables	13,400	9,043
Sundry equipment	6,312	3,784
Arts and crafts	5,523	3,784
Room expenses	<u>6,898</u>	<u>9,585</u>
	<u>470,795</u>	<u>444,109</u>
Governance costs		
Salaries, social security costs and pensions	153,597	156,451
Insurance	9,157	3,834
Telephone and fax	5,982	6,222
Stationery and postage	5,837	6,386
Training	13,081	20,836
Rent & rates	26,074	22,131
Heat and light	462	380
Repairs and renewals	2,121	2,051
Travel expenses	6,379	4,870
Professional fees	15,779	17,809
Project development and consultancy fees	59,858	17,898
Cleaning	1,399	1,510
General expenses	2,923	5,644
Registration charges	668	1,138
Depreciation	24,846	16,962
Bank interest and charges	500	304
Recruitment	865	765
Pharmacy	3,763	3,682
Human resource advice	2,996	3,102
Hire purchase interest	2,898	1,788
ERDF Management fee	<u>1,939</u>	<u>3,702</u>
	<u>341,124</u>	<u>313,842</u>

ST. ROCH'S CHILDCARE SERVICE

**Notes to the Financial Statements
for the Year Ended 31 March 2006**

5. STAFF COSTS

	2006	2005
	£	£
Wages and salaries	529,031	52,211
Social security costs	42,172	43,786
Pension costs	<u>17,649</u>	<u>16,377</u>
	<u>588,851</u>	<u>586,374</u>

No individual employee received remuneration in excess of £60,000. The trustees received no remuneration during the year.

The average monthly full-time equivalent number of employees during the year was as follows:

	2006	2005
Trustees	4	7
Administration	6	7
Childcare	25	16
Sessional staff	<u>-</u>	<u>9</u>
	<u>35</u>	<u>39</u>

6. MOVEMENT IN TOTAL FUNDS FOR THE YEAR

This is stated after charging:

	2006	2006
	£	£
Depreciation - owned assets	24,845	9,408
Depreciation - assets on hire purchase contracts	-	4,817
Auditors' remuneration	<u>1,763</u>	<u>1,763</u>

7. TAXATION

There is no liability to corporation tax as the company is a registered charity.

8. TANGIBLE FIXED ASSETS FOR USE BY THE CHARITY

	Nursery equipment	Fixtures & fittings	Minibuses	Totals
	£	£	£	£
COST:				
At 1 April 2005 and 31 March 2006	<u>57,937</u>	<u>30,260</u>	<u>34,327</u>	<u>126,621</u>
DEPRECIATION:				
At 1 April 2005	47,711	24,324	12,867	84,902
Charge for year	<u>10,226</u>	<u>5,936</u>	<u>8,683</u>	<u>24,845</u>
At 31 March 2006	<u>57,937</u>	<u>30,260</u>	<u>21,550</u>	<u>109,747</u>
NET BOOK VALUE:				
At 31 March 2006	<u>-</u>	<u>-</u>	<u>12,777</u>	<u>12,777</u>
At 31 March 2005	<u>10,226</u>	<u>5,936</u>	<u>21,460</u>	<u>37,622</u>

ST. ROCH'S CHILDCARE SERVICE

Notes to the Financial Statements
for the Year Ended 31 March 2006

8. **TANGIBLE FIXED ASSETS FOR USE BY THE CHARITY - continued**

Fixed assets, included in the above, which are held under hire purchase contracts are as follows:

	<u>Minibuses</u>
	£
COST:	
At 1 April 2005	34,327
Transferred to ownership	<u>(34,327)</u>
At 31 March 2006	-
DEPRECIATION:	
At 1 April 2005	12,867
Transferred to ownership	<u>(12,867)</u>
At 31 March 2006	-
NET BOOK VALUE:	
At 31 March 2006	-
At 31 March 2005	<u>21,460</u>

9. **DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2006	2005
	£	£
Prepayments & accrued income	<u>19,080</u>	<u>78,907</u>

10. **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2006	2005
	£	£
Accruals & deferred income	191,049	275,241
Hire purchase contracts (see note 12)	<u>-</u>	<u>7,442</u>
	<u>191,049</u>	<u>282,683</u>

11. **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2006	2005
	£	£
Hire purchase contracts (see note 12)	<u>-</u>	<u>6,439</u>

Notes to the Financial Statements
for the Year Ended 31 March 2006

12. OBLIGATIONS UNDER HIRE PURCHASE CONTRACTS

	2006	2005
	£	£
Gross obligations repayable:		
Within one year	-	8,570
Between one and five years	-	7,524
	<u>-</u>	<u>16,094</u>
Finance charges repayable:		
Within one year	-	1,128
Between one and five years	-	1,085
	<u>-</u>	<u>2,213</u>
Net obligations repayable:		
Within one year	-	7,442
Between one and five years	-	6,439
	<u>-</u>	<u>13,881</u>

13. SECURED DEBTS

The following secured debts are included within creditors:

	2006	2005
	£	£
Hire purchase contracts	<u>-</u>	<u>13,381</u>

Hire purchase contracts are secured on the relevant assets.

14. UNRESTRICTED FUNDS

	General Fund £	Designated Funds £	Total £
Balance at 1 April 2005	20,610	-	20,610
Net income/(expenditure) before transfers	(13,006)	-	(13,006)
Transfers to restricted funds	-	-	-
	<u>7,604</u>	<u>-</u>	<u>7,604</u>
Balance at 31 March 2006	<u>7,604</u>	<u>-</u>	<u>7,604</u>

There are currently no designated funds within the unrestricted funds of the charity.

ST. ROCH'S CHILDCARE SERVICE

Notes to the Financial Statements for the Year Ended 31 March 2006

15. RESTRICTED FUNDS

	At 1 April 2005 £	Incoming Resources £	Outgoing Resources £	Transfer from General Fund £	At 31 March 2006 £
ERDF	-	86,288	86,288	-	-
SIP	-	265,313	265,313	-	-
Childcare Strategy	-	95,000	95,000	-	-
Three to Five Years Strategy	-	27,364	27,364	-	-
	-	473,965	473,965	-	-

European Regional Development Fund (ERDF)

Grants from this source are used to help facilitate parents and guardians back to employment so helping to rejuvenate the economy of the area.

Social Inclusion Partnership (SIP)

These grants are specifically targeted at an area and are given to facilitate parent and guardians into employment or into training so leading to employment.

Childcare Strategy

These grants are specifically targeted at residents of the City of Glasgow and are given to facilitate parents and guardians into employment or into training so leading to employment.

Three to Five Years Strategy

These grants are used to implement the education curricular at nursery level so making the move from nursery to primary school as seamless as possible.

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	General Fund £	Designated Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	12,777	-	-	12,777
Cash at bank and in hand	166,796	-	-	166,796
Other net current liabilities	(171,969)	-	-	(171,969)
	7,604	-	-	7,604