

Report and Financial Statements for the Period 1 August 2003 to 31 July 2004

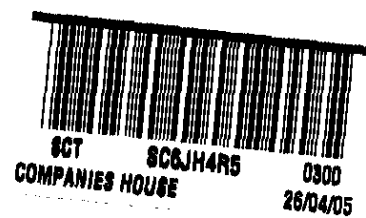
for

Highway Day Nursery

(A company limited by guarantee)

Charity No. SC 034813

Company No. SC 253113



Highway Day Nursery

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for the Period 1 August 2003 to 31 July 2004

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Highway Day Nursery

Legal and Administration Information
for the Period 1 August 2003 to 31 July 2004

LEGAL AND ADMINISTRATION INFORMATION

CONSTITUTION

Highway Day Nursery is a company limited by guarantee and a registered charity governed by its memorandum and articles of association. Charity number: SC 034813

DIRECTOR 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

The trustees serving during the year and since the company was incorporated on 22 July 2003 were as follows:

D Duggan (Chairman)
H Johnstone
R P Stewart

SECRETARY:

C E Duggan

REGISTERED OFFICE:

Highway Day Nursery
Northburn Road
Eyemouth
Berwickshire
TD14 5AU

REGISTERED NUMBER:

253113 (Scotland)

ACCOUNTANTS:

J C Gibson & Company
Chartered Accountant
The Rest
Murrayfield
St Abbs
Eyemouth
Berwickshire
TD14 5PP

Highway Day Nursery

Report of the Trustees **for the Period 1 August 2003 to 31 July 2004**

The trustees present their report with the financial statements of the company for the period 1 August 2003 to 31 July 2004.

COMMENCEMENT OF TRADING

The company was incorporated on 22 July 2003. After a short period of non-trading the company purchased the business of Mrs C E Duggan, trading as 'Highway Day Nursery', on 1 August 2003, from which day trading commenced.

OBJECTIVES OF THE CHARITY

The objectives of the charity are the provision of daily care for pre-school and school age children, the promotion of the education, development, health and welfare of children and to encourage parents to understand, and provide for, the needs of their children. These were achieved by providing appropriate daily care, educational, recreational and other facilities; by ensuring that opportunities were offered to all children regardless of their race, culture or means; and by providing well trained, experienced and motivated staff.

REVIEW OF ACTIVITIES

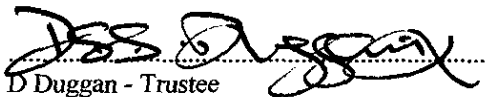
The results for the period and financial position of the company are as shown in the annexed financial statements.

RELATED PARTIES

The charity took over the business of Mr D. Duggan's spouse, Mrs C E Duggan, as a going concern. A summary of transactions with Mrs Duggan and with Mr Duggan's son, is set out in note 10 to the financial statements.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002) and in accordance with SORP 2000.

ON BEHALF OF THE TRUSTEES:


D Duggan - Trustee

Date: 22.4.5

Highway Day Nursery

Income and Expenditure Account/Statement of Financial Activities
for the Period 1 August 2003 to 31 July 2004

	Notes	£
INCOME	2	74,933
Charitable expenditure		<u>70,820</u>
EXCESS OF INCOME OVER EXPENDITURE FOR THE YEAR	4	4,113
TRANSFER TO RESERVE FUND		<u>4,113</u>
RESERVE FUND CARRIED FORWARD		<u><u>£4,113</u></u>

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

The notes form part of these financial statements

Highway Day Nursery

Balance Sheet

31 July 2004

	Notes	£	£
FIXED ASSETS:			
Intangible assets	5		8,250
Tangible assets	6		<u>8,918</u>
			17,168
 CURRENT ASSETS:			
Debtors	7	1,274	
Cash at bank and in hand		<u>1,040</u>	
		2,314	
CREDITORS: Amounts falling due within one year	8	<u>8,818</u>	
 NET CURRENT LIABILITIES:			<u>(6,504)</u>
 TOTAL ASSETS LESS CURRENT LIABILITIES:			10,664
 CREDITORS: Amounts falling due after more than one year	9		<u>6,551</u>
			<u><u>£4,113</u></u>
 FUNDS:			
Reserve Fund			<u>4,113</u>
			<u><u>£4,113</u></u>

The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the period ended 31 July 2004.

The members have not required the company to obtain an audit of its financial statements for the period ended 31 July 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

The notes form part of these financial statements

Highway Day Nursery

Balance Sheet
31 July 2004

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE TRUSTEES:

.....
D Duggan - Trustee

.....
H Johnstone - Trustee

Approved by the Trustees on 22.4.5

The notes form part of these financial statements

Highway Day Nursery

Notes to the Financial Statements for the Period 1 August 2003 to 31 July 2004

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 (SORP 2000) issued in October 2000, applicable accounting standards and the Companies Act 1985 and with the Financial Reporting Standard for smaller Entities (effective June 2002). The principal accounting policies adopted in the preparation of the financial statements are as follows:

Grants, local authority fees and parent fees.

Grants, local authority fees and parent fees are credited to the Statement of Financial Activities (SOFA) in the year for which they are received. *Deferred income* represents amounts received for the future periods and is released to incoming resources in the period for which it has been received.

Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2003, is being written off evenly over its estimated useful life of four years.

Tangible fixed assets

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

Improvements to property	10% on cost
Motor vehicle	25% on reducing balance
Equipment	10% on cost

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.

2. STAFF COSTS

	£
Wages and salaries	<u>49,844</u>

The average monthly number of employees during the period was as follows:

Teachers/carers	<u>4</u>
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No employee earned more than £50,000.

The trustees are not remunerated. The trustees were not reimbursed for expenses during the year.

3. EXCESS OF INCOME OVER EXPENDITURE

Excess of income over expenditure is stated after charging:

	£
Depreciation -- owned assets	1,474
Goodwill written off	<u>2,750</u>

Notes to the Financial Statements
for the Period 1 August 2003 to 31 July 2004

4. **TAXATION**

Analysis of the tax charge

The company being a charity, no liability to UK corporation tax arose on ordinary activities for the period.

5. **INTANGIBLE FIXED ASSETS**

	<u>Goodwill</u>
	£
COST:	
Additions	<u>11,000</u>
At 31 July 2004	<u>11,000</u>
AMORTISATION:	
Charge for period	<u>2,750</u>
At 31 July 2004	<u>2,750</u>
NET BOOK VALUE:	
At 31 July 2004	<u><u>8,250</u></u>

6. **TANGIBLE FIXED ASSETS**

	<u>Plant and machinery etc</u>
	£
COST:	
Additions	<u>10,392</u>
At 31 July 2004	<u>10,392</u>
DEPRECIATION:	
Charge for period	<u>1,474</u>
At 31 July 2004	<u>1,474</u>
NET BOOK VALUE:	
At 31 July 2004	<u><u>8,918</u></u>

Highway Day Nursery

Notes to the Financial Statements
for the Period 22 July 2003 to 31 July 2004

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

	£
Debtors	<u>1,274</u>

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

	£
Bank loans and overdrafts	30
Loan: Mrs C E Duggan	6,928
Trade creditors	25
Car loan	1,030
Accrued expenses	<u>805</u>
	<u>8,818</u>

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

	£
Loan: Mrs R P Stewart	<u>6,551</u>

10. RELATED PARTY TRANSACTIONS

During the year Mr D Duggan had an interest in the following transactions:	£
Purchase of tangible and intangible assets.	<u>21,392</u>

Highway Day Nursery

**Report of the Accountants to the Trustees of
Highway Day Nursery**

As described on the balance sheet you are responsible for the preparation of the financial statements for the period ended 31 July 2004 set out on pages three to seven and you consider that the company is exempt from an audit.

In accordance with your instructions, we have compiled these unaudited financial statements in order to assist you to fulfil your statutory responsibilities, from the accounting records and information and explanations supplied to us.

J C Gibson

J C Gibson & Company
The Rest
Murrayfield
St Abbs
Eyemouth
Berwickshire
TD14 5PP

Date: 22.4.05