

Charity Registration No. 1093347

Company Registration No. 04071171 (England and Wales)

**THE VILLAGE COMMUNITY NURSERY
TRUSTEES' REPORT AND UNAUDITED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2016**

The logo for Michael Kay & Company is a red rectangular box with a thin white border. Inside the box, the text "MICHAEL KAY" is at the top, followed by an ampersand "&" in the center, and "COMPANY" at the bottom. The text is in a white, serif, all-caps font. A thin white horizontal line is positioned between "MICHAEL KAY" and the ampersand.

**MICHAEL KAY
— & —
COMPANY**

THE VILLAGE COMMUNITY NURSERY

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees

C Coppage
S Batool
H Porter
W Sharples
N Khan

Secretary

C Coppage

Charity number

1093347

Company number

04071171

Registered office

St Peters Urban Village Trust
College Road
Alum Rock
Birmingham
B8 3TE

Independent examiner

Michael Kay & Company Limited
2 Water Court
Water Street
Birmingham
West Midlands
B3 1HP

THE VILLAGE COMMUNITY NURSERY

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THE VILLAGE COMMUNITY NURSERY

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The trustees present their report and accounts for the year ended 31 March 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the memorandum and articles of association, the Companies Act 2006 and the Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005.

Structure, governance and management

The charity is a company limited by guarantee and is governed by the memorandum and articles of association.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:

C Coppage
S Batool
H Porter
W Sharples
N Khan

R Lumb resigned as a trustee on 18 September 2015. N Khan was appointed a trustee on 15 April 2016.

Potential new trustees are lobbied by the existing trustees and any applicants are approved by the main board.

None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The charity is governed by the trustees who hold regular meetings to review the operation of the activities.

The charity occupies property owned by St Peter's Urban Village Trust, a charity in which C Coppage is administrator.

The trustees have assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

Objectives and activities

The charity's objects are the provision of affordable pre-school and out of school activities for children from Birmingham and the surrounding area. The policies adopted in furtherance of these objects are the operation of the The Village Nursery and there has been no change in these activities during the year.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

The Village Community Nursery, based on the grounds of St Peter's Urban Village Trust, has continued its activities over the last year.

Achievements and performance

The Village Community Nursery has continued to work in conjunction with colleges of further and higher education including Matthew Boulton, City College, Solihull, South Birmingham and Bournville as well as the four local Surestarts. We have started to extend future links with parents and local projects including working with local job centres.

THE VILLAGE COMMUNITY NURSERY

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

Financial review

The trustees are pleased to report a surplus of £18,502 for the year. The state of affairs of the charity at the balance sheet date is considered to be satisfactory.

It is the policy of the charity that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to three month's expenditure. The trustees considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

On behalf of the board of trustees



C Coppage

Trustee

Dated: 16 December 2016

THE VILLAGE COMMUNITY NURSERY

INDEPENDENT EXAMINER'S REPORT

TO THE TRUSTEES OF THE VILLAGE COMMUNITY NURSERY

I report on the accounts of the charity for the year ended 31 March 2016, which are set out on pages 4 to 10.

Respective responsibilities of trustees and examiner

The trustees, who are also the directors of The Village Community Nursery for the purposes of company law, are responsible for the preparation of the accounts. The trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act), and that an independent examination is needed. I am qualified to undertake the examination being a qualified member of the Institute of Chartered Accountants in England and Wales.

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 145 of the 2011 Act;
- (ii) to follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 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.



Michael Kay & Company Limited

Chartered Accountants
2 Water Court
Water Street
Birmingham
West Midlands
B3 1HP

Dated: 16 December 2016

THE VILLAGE COMMUNITY NURSERY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2016

| | Notes | Unrestricted funds £ | Restricted funds £ | Total 2016 £ | Total 2015 £ |
|---|-------|----------------------------|--------------------------|--------------------|--------------------|
| Incoming resources from generated funds | | | | | |
| Fundraising | 2 | 450 | - | 450 | 1,876 |
| Incoming resources from charitable activities | 3 | 211,066 | - | 211,066 | 220,702 |
| Total incoming resources | | 211,516 | - | 211,516 | 222,578 |
| Resources expended | | | | | |
| Costs of generating funds | | | | | |
| Costs of generating fundraising income | 4 | 328 | - | 328 | 1,876 |
| Net incoming resources available | | 211,188 | - | 211,188 | 220,702 |
| Charitable activities | | | | | |
| Nursery running costs | | 190,806 | - | 190,806 | 189,297 |
| Capital grants amortised | | - | 17,858 | 17,858 | 19,845 |
| Total charitable expenditure | | 190,806 | 17,858 | 208,664 | 209,142 |
| Governance costs | | 1,880 | - | 1,880 | 1,880 |
| Total resources expended | | 193,014 | 17,858 | 210,872 | 212,898 |
| Net income/(expenditure) for the year/ Net movement in funds | | 18,502 | (17,858) | 644 | 9,680 |
| Fund balances at 1 April 2015 | | 53,420 | 147,146 | 200,566 | 190,886 |
| Fund balances at 31 March 2016 | | 71,922 | 129,288 | 201,210 | 200,566 |

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

THE VILLAGE COMMUNITY NURSERY

BALANCE SHEET

AS AT 31 MARCH 2016

| | Notes | 2016 £ | £ | 2015 £ | £ |
|---|-------|----------------|----------------|----------------|----------------|
| Fixed assets | | | | | |
| Tangible assets | 8 | | 129,692 | | 147,685 |
| Current assets | | | | | |
| Debtors | 9 | 3,427 | | 4,005 | |
| Cash at bank and in hand | | 71,016 | | 51,797 | |
| | | <u>74,443</u> | | <u>55,802</u> | |
| Creditors: amounts falling due within one year | 10 | <u>(2,925)</u> | | <u>(2,921)</u> | |
| Net current assets | | | 71,518 | | 52,881 |
| Total assets less current liabilities | | | <u>201,210</u> | | <u>200,566</u> |
| Income funds | | | | | |
| Restricted funds | 12 | | 129,288 | | 147,146 |
| Unrestricted funds | | | 71,922 | | 53,420 |
| | | | <u>201,210</u> | | <u>200,566</u> |

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2016. 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 16 December 2016


C Coppage

Company Registration No. 04071171

THE VILLAGE COMMUNITY NURSERY

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2016

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 Statement of Recommended Practice, "Accounting and Reporting by Charities", issued in March 2005 and the Companies Act 2006.

1.2 Incoming resources

Incoming resources from charitable activities comprise nursery fees which are recognised in the period to which they relate.

1.3 Resources expended

Resources expended on charitable activities are those costs incurred in the charitable objects of the charity.

Governance costs comprise all costs attributable to ensuring the public accountability of the charity and its compliance with regulation and good practise.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

| | |
|--------------------------------|------------------------------|
| Leasehold property | over the period of the lease |
| Fixtures, fittings & equipment | 25% reducing balance |

1.5 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.6 Accumulated funds

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

2 Fundraising

| | 2016 £ | 2015 £ |
|----------------|-----------|-----------|
| In kind Direct | 450 | 1,876 |

THE VILLAGE COMMUNITY NURSERY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

3 Incoming resources from charitable activities

| | 2016 £ | 2015 £ |
|-------------------------|----------------|----------------|
| Nursery fees receivable | <u>211,066</u> | <u>220,702</u> |

4 Total resources expended

| | Staff costs £ | Depreciation £ | Other costs £ | Total 2016 £ | Total 2015 £ |
|--|---------------------|-------------------|---------------------|--------------------|--------------------|
| Costs of generating funds | | | | | |
| Costs of generating fundraising income | - | - | 328 | 328 | 1,876 |
| Charitable activities | | | | | |
| <u>Nursery running costs</u> | | | | | |
| Support costs | 129,222 | 135 | 61,449 | 190,806 | 189,297 |
| <u>Capital grants amortised</u> | | | | | |
| Activities undertaken directly | - | 17,858 | - | 17,858 | 19,845 |
| | <u>129,222</u> | <u>17,993</u> | <u>61,449</u> | <u>208,664</u> | <u>209,142</u> |
| Governance costs | - | - | 1,880 | 1,880 | 1,880 |
| | <u>129,222</u> | <u>17,993</u> | <u>63,657</u> | <u>210,872</u> | <u>212,898</u> |

5 Support costs

| | 2016 £ | 2015 £ |
|-----------------------|----------------|----------------|
| Nursery running costs | 61,449 | 60,412 |
| Staff costs | 129,222 | 128,705 |
| Depreciation | 135 | 180 |
| | <u>190,806</u> | <u>189,297</u> |

6 Trustees

None of the trustees (or any persons connected with them) received any remuneration or expenses during the year.

THE VILLAGE COMMUNITY NURSERY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

7 Employees

Number of employees

The average monthly number of employees during the year was:

| | 2016 Number | 2015 Number |
|-------------------|----------------|----------------|
| Nursery employees | 14 | 14 |

Employment costs

| | 2016 £ | 2015 £ |
|-----------------------|-----------|-----------|
| Wages and salaries | 125,968 | 126,134 |
| Social security costs | 3,254 | 2,571 |
| | 129,222 | 128,705 |

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

8 Tangible fixed assets

| | Land and buildings £ | Fixtures, fittings & equipment £ | Total £ |
|--------------------------------------|----------------------------|---|----------------|
| Cost | | | |
| At 1 April 2015 and at 31 March 2016 | 237,990 | 113,883 | 351,873 |
| Depreciation | | | |
| At 1 April 2015 | 114,679 | 89,508 | 204,187 |
| Charge for the year | 11,900 | 6,094 | 17,994 |
| At 31 March 2016 | 126,579 | 95,602 | 222,181 |
| Net book value | | | |
| At 31 March 2016 | 111,411 | 18,281 | 129,692 |
| At 31 March 2015 | 123,310 | 24,375 | 147,685 |

9 Debtors

| | 2016 £ | 2015 £ |
|---------------|-----------|-----------|
| Trade debtors | 3,427 | 4,005 |

THE VILLAGE COMMUNITY NURSERY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

| 10 Creditors: amounts falling due within one year | 2016 | 2015 |
|--|--------------|-------------|
| | £ | £ |
| Trade creditors | 1,425 | 1,421 |
| Accruals | 1,500 | 1,500 |
| | 2,925 | 2,921 |

11 Share capital

The charity is a company limited by guarantee. In the event of a winding up, each member of the company is guarantor for a sum not exceeding £1.

12 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 April 2015 | Movement in funds | | Balance at 31 March 2016 |
|----------------------|------------------------------------|-------------------------------|-------------------------------|-------------------------------------|
| | £ | Incoming resources | Resources expended | £ |
| Refurbishment grants | 147,146 | - | (17,858) | 129,288 |
| | 147,146 | - | (17,858) | 129,288 |

13 Analysis of net assets between funds

| | Unrestricted funds | Restricted funds | Total |
|--|-------------------------------|-----------------------------|----------------|
| | £ | £ | £ |
| Fund balances at 31 March 2016 are represented by: | | | |
| Tangible fixed assets | 404 | 129,288 | 129,692 |
| Current assets | 74,443 | - | 74,443 |
| Creditors: amounts falling due within one year | (2,925) | - | (2,925) |
| | 71,922 | 129,288 | 201,210 |

THE VILLAGE COMMUNITY NURSERY

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

14 Commitments under operating leases

At 31 March 2016 the company had annual commitments under non-cancellable operating leases as follows:

| | Land and buildings | |
|--------------------|---------------------------|-------------------|
| | 2016 | 2015 |
| | £ | £ |
| Expiry date: | | |
| In over five years | 31,388 | 31,388 |
| | <u> </u> | <u> </u> |

15 Related parties

The charity has paid rent and service charge in the period of £30,078 to St Peter's Urban Village Trust. C Coppage is the Administrator of St Peter's Urban Village Trust.