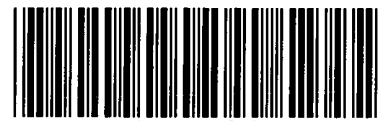


**REGISTERED COMPANY NUMBER: 02689929 (England and Wales)**  
**REGISTERED CHARITY NUMBER: 1035863**

**REPORT OF THE TRUSTEES AND  
UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR  
ENDED 30 SEPTEMBER 2016  
FOR  
AFRICAN CARIBBEAN DAY NURSERY**

Christopher & Co  
Chartered Accountants  
51a Anson Road  
Tufnell Park  
London  
N7 0AR

FRIDAY



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AFRICAN CARIBBEAN DAY NURSERY

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for the year ended 30 September 2016

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## AFRICAN CARIBBEAN DAY NURSERY

### REPORT OF THE TRUSTEES for the year ended 30 September 2016

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 September 2016. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' applicable to charities preparing their financial statements in accordance with the Financial Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

#### REFERENCE AND ADMINISTRATIVE DETAILS

**Registered Company number**

02689929 (England and Wales)

**Registered Charity number**

1035863

**Registered office**

51a Anson Road  
Tufnell Park  
London  
N7 0AR

**Trustees**

Ms D Ferdinand  
Ms P E Howard  
H Findley

Ms M Campbell -resigned 24.2.16

Ms A Wurie -resigned 24.11.16

**Management committee**

Ms D Ferdinand  
Ms P E Howard  
H Findley

Ms S Yomi - Baker -resigned 24.11.16

Ms M Campbell -resigned 24.2.16

Ms A Wurie -resigned 24.11.16

E Gotora -appointed 4.11.15

Ms P Oklyi -resigned 4.11.15

Ms L Kangai -resigned 24.11.16

I Mebrahtu -appointed 24.11.16

Ms N Williams -appointed 24.11.16

Ms N Stewart-Campbell -appointed 24.11.16

**Co-ordinator**

Ms B Jennings

**Company Secretary**

Ms P E Howard

## **AFRICAN CARIBBEAN DAY NURSERY**

### **REPORT OF THE TRUSTEES**

for the year ended 30 September 2016

#### **REFERENCE AND ADMINISTRATIVE DETAILS**

##### **Independent examiner**

Nicholas Christopher  
Christopher & Co  
Chartered Accountants  
51a Anson Road  
Tufnell Park  
London  
N7 0AR

##### **Bankers**

National Westminster Bank plc  
Wood Green  
14 The Broadway  
London N22 6BZ

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Governing document**

The nursery is a private company, limited by guarantee and without any share capital. On 7 April 1994 it became a registered charity. It was established under a Memorandum of Association which established the objects and powers of the charitable company and it is governed under its Articles of Association. In the event the charitable company is wound up members are required to contribute an amount not exceeding £1.

##### **Recruitment and appointment of trustees and management committee**

The trustees and management committee may from time to time appoint any member of the charitable company as a trustee or member of the management committee, either to fill a casual vacancy or by way of addition, provided that the prescribed maximum be not thereby exceeded. Any member so appointed shall retain his or her office only until the next Annual General Meeting, but he or she shall then be eligible for re-election. No person who is not a member of the charitable company shall be eligible to hold office as a trustee or member of the management committee.

##### **Trustees and management committee induction and training**

Most new trustees and members of the management committee are already familiar with the practical work of the charitable company having visited the nursery and observed its activities prior to their appointment. Additionally, new trustees and members of the management committee are briefed regarding trustees' and management committee powers, duties and obligations and are provided with copies of the Memorandum and Articles of Association, the latest annual report, and other relevant information.

##### **Organisational structure**

The charitable company has a board of approximately five trustees and eight members of the management committee (including trustees) who meet regularly throughout the year and are responsible for the strategic direction and policy of the charitable company. In addition there are various sub-committees of the management committee, with specific responsibilities, who report to the board. At the present the board has members from a variety of professional and ethnic backgrounds relevant to the work of the nursery.

The chair is responsible for ensuring that the nursery delivers the services specified and that the key performance indicators are met. The coordinator has responsibility for day to day operational management, staff supervision and for ensuring that staff continue to develop their skills and working practices in line with best practice.

##### **Risk management**

The trustees and management committee have a duty to identify and review the risks to which the nursery is exposed to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

## **AFRICAN CARIBBEAN DAY NURSERY**

### **REPORT OF THE TRUSTEES for the year ended 30 September 2016**

#### **OBJECTIVES AND ACTIVITIES**

##### **Objectives and aims**

The charitable company's principal objective continues to be providing nursery day care, and educational and recreational services for children in the local community.

The success of the African Caribbean Day Nursery (ACDN) has largely depended on a combination of excellent ideas along with the efforts and enthusiasm of the trustees/ management committee, together with staff and parents thus ensuring we achieve the targets we set out to meet.

The ethos of the nursery is to provide an educational head start for children under five and to promote a positive self-image, primarily but not exclusively, for children of the African and Caribbean community. ACDN provides a positive, stimulating environment which aims to further the childrens' personal, social, educational and cultural development with the object of improving their condition of life for the future, and thereby increasing the wellbeing of the community in general.

Our objectives are set to reflect the aims and ethos of the nursery. In setting our objectives and planning our future activities the trustees and management committee have given careful consideration to the Charity Commissioner's guidance on public benefit and of how this can be applied in advancing preschool education.

In meeting our key objectives the children provide the starting point for their learning and in this way we ensure that we tailor learning programmes for each child that covers the curriculum in the Foundation Stage thus preparing them for school.

Another key objective is to work in partnership with parents. We see parents as the 'primary partners' in helping us to meet their child's needs and contributing to the development of ACDN.

#### **ACHIEVEMENT AND PERFORMANCE**

The trustees and management committee confirm that the charitable company has continued to achieve its targets with regard to the delivery and quality of nursery services provided.

#### **FINANCIAL REVIEW**

The net deficit for the year of £21,552 (2015: £35,545) as set out on page 5 was primarily due to a decrease in nursery income mitigated by a decrease in staff costs.

Nursery income fell due to a temporary cessation of Early Years funding for 2/3 year olds, following an 'inadequate' Ofsted inspection rating. A 'good' rating was achieved at the subsequent re-inspection and funding was resumed. However the knock on effect on overall finances of this funding cessation led to a fall in nursery fees and to rent arrears and (as more fully explained in note 13 to the financial statements) to recovery action, resulting in a repayments plan being agreed with the landlord, the London Borough of Haringey. At the balance sheet date total accumulated funds amounted to £13,049 (2015: £34,601), as set out on page 6.

#### **Reserves policy**

The trustees and management committee have considered the nursery's requirement for reserves in the light of its financial needs and where possible have tried to maintain unrestricted reserves at a level equivalent to approximately two months of total expenditure.

#### **FUTURE DEVELOPMENTS**


The trustees and management committee are carrying out measures to improve the nursery's finances, to return it to full capacity and to ensure that improvements continue to be made in its ability to provide day care, educational and recreational services of the highest quality for children in the local community.

#### **FIXED ASSETS**

The movements in fixed assets during the year are set out in note 7.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 17 October 2017 and signed on its behalf by:



Ms P E Howard - Trustee

## **INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF AFRICAN CARIBBEAN DAY NURSERY**

I report on the accounts for the year ended 30 September 2016 set out on pages five to twelve.

### **Respective responsibilities of trustees and examiner**

The charity's trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year (under Section 144(2) of the Charities Act 2011 (the 2011 Act)) and that an independent examination is required.

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:

- examine the accounts under Section 145 of the 2011 Act
- 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
- to state whether particular matters have come to my attention.

### **Basis of the 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 statements below.

### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that, in any material respect, the requirements
  - to keep accounting records in accordance with Section 386 and 387 of the Companies Act 2006; and
  - to prepare accounts which accord with the accounting records, comply with the accounting requirements of Sections 394 and 395 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

- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.



Nicholas Christopher  
Christopher & Co  
Chartered Accountants  
51a Anson Road  
Tufnell Park  
London  
N7 0AR

Date: 18 October 2017

**AFRICAN CARIBBEAN DAY NURSERY**

**STATEMENT OF FINANCIAL ACTIVITIES**  
for the year ended 30 September 2016

	Notes	Unrestricted fund £	Restricted fund £	30.9.16 Total funds £	30.9.15 Total funds £
<b>INCOMING RESOURCES</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	68,234	-	68,234	67,993
Activities for generating funds	3	40,480	-	40,480	66,598
<b>Total incoming resources</b>		<b>108,714</b>	<b>-</b>	<b>108,714</b>	<b>134,591</b>
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities</b>					
Nursery's charitable activities		120,249	4,960	125,209	162,667
Governance costs		5,057	-	5,057	7,469
<b>Total resources expended</b>		<b>125,306</b>	<b>4,960</b>	<b>130,266</b>	<b>170,136</b>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		<b>(16,592)</b>	<b>(4,960)</b>	<b>(21,552)</b>	<b>(35,545)</b>
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>		<b>6,344</b>	<b>28,257</b>	<b>34,601</b>	<b>70,146</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>(10,248)</b>	<b>23,297</b>	<b>13,049</b>	<b>34,601</b>

The notes form part of these financial statements

**AFRICAN CARIBBEAN DAY NURSERY**

**BALANCE SHEET**  
At 30 September 2016

	Notes	Unrestricted fund £	Restricted fund £	30.9.16 Total funds £	30.9.15 Total funds £
<b>FIXED ASSETS</b>					
Tangible assets	7	814	23,297	24,111	29,342
<b>CURRENT ASSETS</b>					
Debtors	8	21,583	-	21,583	23,975
Cash at bank and in hand		2,030	-	2,030	2,892
		<u>23,613</u>	<u>-</u>	<u>23,613</u>	<u>26,867</u>
<b>CREDITORS</b>					
Amounts falling due within one year	9	(34,675)	-	(34,675)	(21,608)
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>(11,062)</u>	<u>-</u>	<u>(11,062)</u>	<u>5,259</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(10,248)</u>	<u>23,297</u>	<u>13,049</u>	<u>34,601</u>
<b>NET ASSETS/(LIABILITIES)</b>		<u>(10,248)</u>	<u>23,297</u>	<u>13,049</u>	<u>34,601</u>
<b>FUNDS</b>	10				
Unrestricted funds				(10,248)	6,344
Restricted funds				23,297	28,257
<b>TOTAL FUNDS</b>				<u>13,049</u>	<u>34,601</u>

The notes form part of these financial statements



**AFRICAN CARIBBEAN DAY NURSERY**

**BALANCE SHEET - CONTINUED**

**At 30 September 2016**

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 September 2016.

The members have not required the charitable company to obtain an audit of its financial statements for the year ended 30 September 2016 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Board of Trustees on 17 October 2017 and were signed on its behalf by:



Ms P E Howard -Trustee

## AFRICAN CARIBBEAN DAY NURSERY

### NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 September 2016

#### 1. ACCOUNTING POLICIES

##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with best practice as laid down in the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' applicable to charities preparing their financial statements in accordance with Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

Notwithstanding that the nursery made a deficit for the year, had net current liabilities and a net asset deficiency on its unrestricted funds, the financial statements have been prepared on a going concern basis as the trustees and management committee believe the nursery will return to surplus and will be able to meet its obligations as they fall due. In addition they have confirmed their continued support for the foreseeable future.

##### **Incoming resources**

Income from grants, nursery fees and fundraising activities are taken up in the year to which the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

##### **Resources expended**

All expenditure is accounted for on the accruals basis and has been classified under headings that aggregate all cost related to the category.

Charitable expenditure comprises direct and allocated expenditure attributable to the running of the nursery.

Governance costs include those costs which relate to the charity's compliance with constitutional and statutory requirements and include accountancy and bookkeeping fees, payroll bureau costs and other related staff and overhead costs.

##### **Depreciation**

Depreciation is provided on tangible fixed assets, at rates calculated to write the assets down to their residual values at the end of their estimated useful lives as follows:

Plant & machinery etc	- 25% reducing balance
Short leasehold	- 10% straight line

##### **Taxation**

The nursery is a grant funded non-profit making charity and is exempt from corporation tax on the income it receives from, fees, grants, interest and certain fundraising activities.

##### **Fund accounting**

Unrestricted funds can be used in accordance with the nursery's charitable objectives at the discretion of the trustees and management committee.

Restricted funds 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 particular restricted purposes.

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

##### **Pension costs and other post-retirement benefits**

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

##### **Value added tax**

Value Added Tax is not recoverable by the nursery, and as such is included in the relevant costs in the Statement of Financial Activities.

**AFRICAN CARIBBEAN DAY NURSERY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**for the year ended 30 September 2016**

**2. VOLUNTARY INCOME**

	30.9.16	30.9.15
	£	£
Gifts	-	2
Grants receivable	68,234	67,991
	<u>68,234</u>	<u>67,993</u>

All grants receivable are from Haringey Council.

**3. ACTIVITIES FOR GENERATING FUNDS**

	30.9.16	30.9.15
	£	£
Fundraising events	151	124
Nursery fees income	40,329	66,474
	<u>40,480</u>	<u>66,598</u>

**4. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/(crediting):

	30.9.16	30.9.15
	£	£
Depreciation - owned assets	5,231	5,635
	<u>5,231</u>	<u>5,635</u>

**5. TRUSTEES' REMUNERATION AND BENEFITS**

There were no trustees' remuneration or other benefits for the year ended 30 September 2016 nor for the year ended 30 September 2015.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 30 September 2016 nor for the year ended 30 September 2015.

**AFRICAN CARIBBEAN DAY NURSERY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the year ended 30 September 2016

**6. STAFF COSTS**

	30.9.16	30.9.15
	£	£
Wages and salaries	76,754	103,216
Social security costs	2,086	1,789
Other pension costs	196	-
	<u>79,036</u>	<u>105,005</u>

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

	30.9.16	30.9.15
Nursery childcare	6	7
Nursery management and administration	1	1
	<u>7</u>	<u>8</u>

No employees received emoluments in excess of £60,000.

**7. TANGIBLE FIXED ASSETS**

	Land and buildings £	Plant and machinery etc £	Totals £
<b>COST</b>			
At 1 October 2015 and 30 September 2016	<u>40,174</u>	<u>37,555</u>	<u>77,729</u>
<b>DEPRECIATION</b>			
At 1 October 2015	15,687	32,700	48,387
Charge for year	<u>4,018</u>	<u>1,213</u>	<u>5,231</u>
At 30 September 2016	<u>19,705</u>	<u>33,913</u>	<u>53,618</u>
<b>NET BOOK VALUE</b>			
At 30 September 2016	<u>20,469</u>	<u>3,642</u>	<u>24,111</u>
At 30 September 2015	<u>24,487</u>	<u>4,855</u>	<u>29,342</u>

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

	30.9.16	30.9.15
	£	£
Trade debtors	19,205	18,378
Other debtors	2,378	5,597
	<u>21,583</u>	<u>23,975</u>

**AFRICAN CARIBBEAN DAY NURSERY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the year ended 30 September 2016

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

	30.9.16	30.9.15
	£	£
Trade creditors	9,843	6,471
Other creditors	24,832	15,137
	<u>34,675</u>	<u>21,608</u>

**10. MOVEMENT IN FUNDS**

	At 1.10.15	Net movement in funds	At 30.9.16
	£	£	£
<b>Unrestricted funds</b>			
General fund	6,344	(16,592)	(10,248)
<b>Restricted funds</b>			
Capital & refurbishment fund	28,257	(4,960)	23,297
<b>TOTAL FUNDS</b>	<u>34,601</u>	<u>(21,552)</u>	<u>13,049</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	108,714	(125,306)	(16,592)
<b>Restricted funds</b>			
Capital & refurbishment fund	-	(4,960)	(4,960)
<b>TOTAL FUNDS</b>	<u>108,714</u>	<u>(130,266)</u>	<u>(21,552)</u>

**11. OTHER FINANCIAL COMMITMENTS**

The nursery premises are rented from the London Borough of Haringey under an informal agreement at a rent of £11,000 per annum.

**12. PURPOSE OF RESTRICTED FUNDS**

**Capital & refurbishment fund:** This fund was established by a grant from Haringey Council to be spent on indoor and outdoor capital additions, improvements and refurbishment of the nursery premises and facilities.

**13. NON-ADJUSTING POST BALANCE SHEET EVENTS**

Subsequent to the balance sheet date legal recovery and possession actions were instigated by the nursery's landlord, the London Borough of Haringey, re rent arrears of £14,600 at the balance sheet date (plus legal costs of £1,443). Following negotiations a repayment plan was agreed and legal action put on hold, pending full repayment by 31 July 2018.

**AFRICAN CARIBBEAN DAY NURSERY**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
for the year ended 30 September 2016

**14. COMPARATIVES**

The comparative figures have been regrouped where necessary to provide a fair comparison with those of the current year. Such regroupings have had no effect on previously reported income/expenses, net current assets, or net assets.