

**CHILDREN FIRST DERBY
COMPANY LIMITED BY GUARANTEE
FINANCIAL STATEMENTS**

31 March 2008

**Company Registration Number 05379021
Charity Number 111157**

PARKINSON MATTHEWS LLP

Chartered Accountants
Cedar House
35 Ashbourne Road
Derby

**CHILDREN FIRST DERBY
COMPANY LIMITED BY GUARANTEE**

FINANCIAL STATEMENTS

YEAR ENDED 31 March 2008

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**CHILDREN FIRST DERBY
COMPANY LIMITED BY GUARANTEE**

MEMBERS OF THE BOARD AND PROFESSIONAL ADVISERS

The board of trustees/directors	M Longworth – Chair R Emmerson – Vice Chair (appointed 8 October 2007) D A K Ball – Treasurer Dr C McArdle (Vice Chair 1 April 2007-8 October 2007) M Clissold P Dixon C Smith (appointed 8 October 2007) M Wigley (resigned 8 October 2007)
Company secretary	Dr C McArdle
Charity Manager	M Aspinall (appointed 16 June 2008) V Hart (resigned 31 May 2008)
Registered office	13 Leopold Street Derby Derbyshire
Reporting Accountants	Parkinson Matthews LLP Chartered Accountants Cedar House 35 Ashbourne Road Derby

CHILDREN FIRST DERBY COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 March 2008

The trustees, who are also Directors for the purposes of the Companies Act, have pleasure in presenting their report and the unaudited financial statements of the charity for the year ended 31 March 2008.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Children First Derby is based at 13 Leopold Street, Derby, Derbyshire which is the company's registered office and the principal address of the charity. Children First Derby is a company limited by guarantee and not having a share capital (company registration No. 5379021) and Registered Charity (No. 1111157). The charity was incorporated on 1 March 2005 and the governing document is the Memorandum and Articles of Association dated 1 March 2005. The charitable company acquired all the assets and undertakings of the unincorporated Children First Derby on 1 April 2005.

Trustee selection methods

Trustees may be recommended by other Trustees, or may be recruited through the local Volunteer Bureau or through the national charity REACH. Volunteer befrienders are also encouraged to consider board membership. The aim is to have a cross-section of experience of relevance to the work of the Charity e.g. social work, childcare, finance, fundraising, legal and general management. Applicants are invited to visit Leopold Street to learn about the work of the Charity and attend one or more of the Committee meetings as observers. Discussion then takes place between the applicant and the Chair of the Trustees to finalise their suitability and willingness to stand for election.

Risk management policy

As a Charity involved with vulnerable children and their families the highest priority is given to ensuring the suitability of staff members and volunteers undertaking contact and befriending tasks. All staff and volunteers are subject to enhanced criminal records checks and two character references prior to contact with service users and are trained in the Charity's child protection policies.

The Charity has in place policies to ensure compliance with health and safety legislation, employment law, data protection and the signposting of clients requiring legal advice.

A comprehensive risk assessment of the Leopold Street premises was undertaken in October 2004 and is kept under regular review.

All staff receive training in the above policies and are positively encouraged to bring matters which need addressing to the Charity's manager. Matters which can't be dealt with immediately are referred to the Management Committee for appropriate action.

**CHILDREN FIRST DERBY
COMPANY LIMITED BY GUARANTEE**

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 March 2008

OBJECTIVES AND ACTIVITIES

Charity objects

To relieve the distress and suffering experienced by families and children in particular who have suffered from and/or are likely to suffer from violence or maltreatment in their homes: in particular by:

- Responding to the needs of children where stress within the home may adversely affect their welfare or development
- Providing support for children who are regarded as vulnerable and who may be at risk of social exclusion
- Delivering community services designed to foster the general wellbeing of families with children
- Providing services for parents which will enable them to better respond to the personal needs and financial support of their children

Charity aims

The Charity aims to meet its objects through a mixture of contracts and service level agreements with the statutory authorities, grants and through its own fund raising.

It currently has a contract with Derby City Council to provide a supervised contact service for children who are in local authority care so that they can meet with their relations and other approved persons in safety, and a service level agreement funded jointly by Derby City Council and Derby Primary Care Trust to provide a befriending service for parents experiencing stress in the home.

Charitable income is used to add value to the above services both in terms of the quality of the rooms, playthings and equipment available at Leopold Street, and outings and other events held for the benefit of families receiving befriending support.

CHILDREN FIRST DERBY COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 March 2008

ACHIEVEMENTS AND PERFORMANCE

During the last year Children First Derby has seen its fair share of changes, challenges and rewards which are outlined below.

Each service has worked hard to ensure that it is providing high quality, value for money services that make a positive difference to the lives of the children and families with whom we work.

The Charity has benefited this year from an increased number of volunteers who make an invaluable contribution to the success of Children First. The Trustees would like to thank all of the volunteers and staff for their hard work and commitment, which ensures Children First remains a valuable asset in the community.

Finally, thanks must go to the many organisations and individuals who fund and donate to the services we provide. Each of these contributions is invaluable, but I would like to acknowledge the financial assistance given by Derby City Council, Derby Primary Care Trust, Chelsea Football Club, Sir John Eastwood Foundation, Truemark Trust and the Brian Clough Memorial Fund.

Charity

This year saw the completion of our safe car park at the rear of the building. This has been a large project for the charity to undertake and provides a safe area for children who are using the centre to be dropped off.

In November 2007 the Charity was awarded the Investing in Volunteers award which is the UK quality standard for organisations that involve volunteers in their work and reflects our commitment to engaging and developing volunteers at all levels within the organisation. To celebrate the award the Mayor attended a presentation event for all the volunteers who received a certificate in recognition of their continued commitment to the charity.

The financial year ended positively as the charity held its first Charity Dinner and Auction. This event organised by our fundraising sub group was a great success and raised over £3,400 which we will use to fund our daytrips and our annual Christmas party for the families we support.

Contact Service

The Charity provides a supervised contact service, funded by Derby City Council, for looked after children so they can spend time with their family in a welcoming, child friendly and safe environment.

We have had an extremely busy and productive year. The Service supervised 522 sessions during the year and was particularly busy in the school holiday periods of February, May, October and December.

In November, we were invited to tender to continue delivering the contact service for 3 years with Derby City Council. Three other charities also bid for the contract and it was not until February 2008 that we were informed that we had been successful with our bid. This is very positive news for the Charity and rewards our commitment to providing high quality, best value services.

CHILDREN FIRST DERBY COMPANY LIMITED BY GUARANTEE

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 March 2008

Befriending Service

The befriending service is jointly funded by Derby City Council and the Derby Primary Care Trust. We work with families in the local community, providing support and information. The service seeks to empower families to move their lives forward positively.

The Befriending Service continues to grow and exceed the targets set by our funders. Over the past year, we have supported 58 parents and 246 children. The delivery of this service relies on our committed, trained volunteers who provide support sessions to families in the local community and our part time befriending worker who coordinates this valuable work.

Our thanks must also go to the children and families that we have the privilege to work with. Without their feedback, comments, energy and humour the charity would not be able to remain relevant to their and the communities needs.

FINANCIAL REVIEW

Reserves policy

The two major highlights of year to 31 March 2008 were

1. Completion of the driveway and safe-parking area at a cost in the year of £13,379, bringing the total project cost to £27,085. All this expenditure has been written-off through the Income and Expenditure Account as incurred.
2. Our successful tender for renewal of the Specialist Contact Service covering the three years from 1 April 2008. Acceptance by Derby City Council of the tender price for each of the three years means that the Charity has fixed its contract income for the period and accordingly will be able to make its operating and strategic financial plans with more certainty.

Bearing the latter point in mind, the trustees have agreed that it is in the interests of the Charity to seek to accumulate liquid reserves to a level of three months operating costs, thereby enabling the organisation, in the short-term, to maintain on-going services should a reduction or withdrawal of funding occur at the end of the new contract or at a subsequent date. It is probable that accumulation of the desired reserve will only be achieved over a few years, as the current assets at 31 March 2008 of £18,816 represent approximately half of the desired level.

Reporting accountants

Messrs Parkinson Matthews LLP offer themselves for re-appointment at the company's AGM.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part VII of the Companies Act 1985.

Registered office:
13 Leopold Street
Derby
Derbyshire

Signed on behalf of the trustees

Trustee

Approved by the trustees on 11 November 2008

**CHILDREN FIRST DERBY
COMPANY LIMITED BY GUARANTEE
ACCOUNTANTS' REPORT TO THE MEMBERS
YEAR ENDED 31 March 2008**

We report on the unaudited accounts for the year ended 31 March 2008 set out on pages 7 to 15.

Respective responsibilities of the trustees and the reporting accountants

As described on page 9 the trustees of the charity are responsible for the preparation of the accounts, and they consider that the charity is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the charity, and making such limited enquiries of the officers of the charity as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

Opinion

In our opinion:

- (a) the accounts are in agreement with those accounting records kept by the charity under section 221 of the Companies Act 1985;
- (b) having regard only to, and on the basis of, the information contained in those accounting records:
 - (i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
 - (ii) the charity satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act as modified by section 249A(5) and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemptions specified in section 249B(1)(a) to (f).

Cedar House
35 Ashbourne Road
Derby

PARKINSON MATTHEWS LLP
Chartered Accountants

11 November 2008

**CHILDREN FIRST DERBY
COMPANY LIMITED BY GUARANTEE**

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 March 2008

	Note	Unrestricted Funds 2008 £	Restricted Funds 2008 £	Total Funds 31 Mar 2008 £	Total Funds 31 Mar 2007 (restated) £
Incoming resources					
Donations	3	17,437	-	17,437	6,812
Activities in furtherance of the charity's objects:					
Contract and grant income	4	-	142,176	142,176	133,701
Interest receivable	5	1,659	-	1,659	2,089
Other income		787	-	787	416
Total incoming resources		<u>19,883</u>	<u>142,176</u>	<u>162,059</u>	<u>143,018</u>
Resources expended					
Costs of generating funds:					
Fundraising and publicity		957	-	957	75
Charitable expenditure:					
Costs in furtherance of charitable objects		<u>20,069</u>	<u>148,158</u>	<u>168,227</u>	<u>153,800</u>
Total resources expended	6	<u>21,026</u>	<u>148,158</u>	<u>169,184</u>	<u>153,875</u>
Net (outgoing) resources before transfers					
		(1,143)	(5,982)	(7,125)	(10,857)
Transfer between funds		<u>(3,939)</u>	<u>3,939</u>	-	-
Net (outgoing) resources for the period		(5,082)	(2,043)	(7,125)	(10,857)
Balances brought forward 1 April 2007		136,139	4,267	140,406	152,772
Prior year adjustment (see note 2)		<u>1,509</u>	-	<u>1,509</u>	-
Net movements in funds since the last annual report and balance carried forward at 31 March 2008		<u>132,566</u>	<u>2,224</u>	<u>134,790</u>	<u>141,915</u>

The charity has no recognised gains or losses other than as set out above.

All of the activities of the charity are classed as continuing.

The notes on pages 10 to 15 form part of these financial statements.

**CHILDREN FIRST DERBY
COMPANY LIMITED BY GUARANTEE**

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 March 2008

	Note	31 Mar 2008 £	31 Mar 2007 (restated) £
Income		160,400	140,929
Total expenditure		(168,481)	(153,121)
Operating (deficit)		(8,081)	(12,192)
Other income			
Interest receivable and similar income	5	1,659	2,089
Interest payable		(703)	(754)
Net retained (deficit) for the financial period		<u>(7,125)</u>	<u>(10,857)</u>

All of the activities of the charity are classed as continuing.

The notes on pages 10 to 15 form part of these financial statements.

**CHILDREN FIRST DERBY
COMPANY LIMITED BY GUARANTEE**

BALANCE SHEET

31 March 2008

		2008		2007 (restated)	
	Note	£	£	£	£
Fixed assets					
Tangible assets	7		120,000		120,000
Current assets					
Debtors and prepayments	8		1,570		1,509
Cash at bank and in hand			<u>35,551</u>		<u>40,109</u>
			37,121		41,618
Creditors: amounts falling due within one year					
	9		<u>16,081</u>		<u>11,383</u>
Net current assets			21,040		30,235
Total assets less current liabilities					
			<u>141,040</u>		<u>150,235</u>
Creditors: amounts falling due after more than one year					
	10		<u>(6,250)</u>		<u>(8,320)</u>
Net assets			<u>134,790</u>		<u>141,915</u>
Funds					
Restricted	11		2,224		4,267
Unrestricted – general reserves	11		<u>132,566</u>		<u>137,648</u>
TOTAL FUNDS	12		<u>134,790</u>		<u>141,915</u>

The trustees are satisfied that the charity is entitled to exemption from the provisions of the Companies Act 1985 (the Act) relating to the audit of the accounts for the year by virtue of section 249A(1), and that no member or members have requested an audit pursuant to section 249B(2) of the Act.

The trustees acknowledge their responsibilities for:

- (i) ensuring that the charity keeps proper accounting records which comply with section 221 of the Act, and
- (ii) preparing accounts which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of its surplus or deficiency for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the charity.

These financial statements were approved by the members of the committee on the 11 November 2008 and are signed on their behalf by:

Trustee

The notes on pages 10 to 15 form part of these financial statements.

CHILDREN FIRST DERBY COMPANY LIMITED BY GUARANTEE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2008

1. Accounting policies

Basis of accounting

The financial statements of the charity have been prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 ("SORP"), and with applicable accounting standards. These financial statements are drawn up on the historical cost accounting basis (except the revaluation of Freehold Property) and the accruals basis of accounting has been used in recognising both income and expenditure.

Cash flow statement

The charity has chosen to use the exemption under FRS 1 not to produce a cash flow statement.

Incoming resources

All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Gifts in kind have been included at market value of gifts received and in assets acquired. No amounts are included in the financial statements for services donated by volunteers.

Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources. Fund-raising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in the support of the charitable activities. Management and administration costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Taxation

As a charity, the charity is exempt from taxation.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 0%
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Freehold property is not depreciated as the trustees consider the market value to be in excess of the carrying value on the balance sheet. This property was revalued in February 2004 and the trustees have chosen to use this valuation as the carrying value which is in accordance with FRS15 . This will be reviewed annually by the trustees and a full revaluation undertaken every five years.

CHILDREN FIRST DERBY
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2008

2. Prior year adjustment

The prior year adjustment relates to insurance which in the year ended 31 March 2007 was not prepaid. The prior year adjustment consequently increases prepayments by £1,509, leading to an increase in unrestricted reserves of £1,509.

3. Donations

	Unrestricted Funds £	Restricted Funds £	31 Mar 2008 £	31 Mar 2007 (restated) £
Donations	<u>17,437</u>	<u>-</u>	<u>17,437</u>	<u>6,812</u>

4. Contract and grant income

	Unrestricted Funds £	Restricted Funds £	31 Mar 2008	31 Mar 2007 (restated) £
Derby City Council	-	101,086	101,086	97,516
Central Derby P.C.T	-	41,090	41,090	36,185
	<u>-</u>	<u>142,176</u>	<u>142,176</u>	<u>133,701</u>

5. Interest receivable

	Unrestricted Funds £	Restricted Funds £	31 Mar 2008 £	31 Mar 2007 (restated) £
Bank interest receivable	<u>1,659</u>	<u>-</u>	<u>1,659</u>	<u>2,089</u>

CHILDREN FIRST DERBY
COMPANY LIMITED BY GUARANTEE
NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2008

6. Total resources expended

	31 Mar 2008	31 Mar 2007 (restated)
	£	£
Staff costs	115,813	103,744
Recruitment costs	1,214	1,279
Insurances and utility costs	6,875	4,392
Mortgage interest	703	754
Repairs, maintenance and improvements	18,307	19,163
Telephone	2,362	2,203
Fundraising expenses	957	75
Printing, postage, stationery and expenses	4,569	4,113
Staff training and expenses	4,861	6,085
Professional fees	927	1,788
Computer equipment	349	782
Service provision	7,342	3,860
Miscellaneous expenses	4,905	5,637
	<u>169,184</u>	<u>153,875</u>

The aggregate payroll costs were:

	31 Mar 2008	31 Mar 2007 (restated)
	£	£
Wages and salaries	107,536	96,438
Social security costs	8,277	7,306
	<u>115,813</u>	<u>103,744</u>

No employee earned more than £60,000 per annum. One trustee was reimbursed for expenditure in the amount of £55 (2007 – three trustees £233).

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	2008 No	2007 No (restated)
Direct Charitable Staff	7	7
Administration	1	1
	<u>8</u>	<u>8</u>

**CHILDREN FIRST DERBY
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2008

7. Tangible fixed assets

	Freehold Property £	Total £
Cost or valuation		
At 1 April 2007 (restated) & 31 March 2008	<u>120,000</u>	<u>120,000</u>
Depreciation		
At 1 April 2007 (restated)	-	-
Charge for year	-	-
At 31 March 2008	<u>-</u>	<u>-</u>
Net book value		
At 31 March 2008	<u>120,000</u>	<u>120,000</u>
At 31 March 2007 (restated)	<u>120,000</u>	<u>120,000</u>

In February 2004 the Freehold Property at 13 Leopold Street, Derby was valued at an open market value of £120,000 using the RICS appraisal and valuation manual.

In respect of certain fixed assets stated at valuations, the comparable historical cost and depreciation values are as follows:

	2008 £	2007 (restated) £
Net book value at end of year	<u>120,000</u>	<u>120,000</u>
Historical cost:		
At 31 March	<u>35,000</u>	<u>35,000</u>
Depreciation:		
At 31 March	<u>-</u>	<u>-</u>
Net historical cost value:		
At 31 March	<u>35,000</u>	<u>35,000</u>

**CHILDREN FIRST DERBY
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2008

8. Debtors and prepayments

	2008	2007
	£	(restated)
	£	£
Debtors	18	-
Prepayments	1,552	1,509
	<u>1,570</u>	<u>1,509</u>

9. Creditors: Amounts falling due within one year

	2008	2007
	£	(restated)
	£	£
Accruals and deferred income	11,762	7,615
Taxation and social security	2,319	1,968
Mortgage	2,000	1,800
	<u>16,081</u>	<u>11,383</u>

Deferred income has been recognised in the SOFA as follows:-

	2008	2007
	£	(restated)
	£	£
Deferred income brought forward	-	-
Brought forward released to SOFA	-	-
Deferred income received in year	10,478	-
Deferred income carried forward	<u>10,478</u>	<u>-</u>

10. Creditors: Amounts falling due after more than one year

	2008	2007
	£	(restated)
	£	£
Mortgage	<u>6,250</u>	<u>8,320</u>

**CHILDREN FIRST DERBY
COMPANY LIMITED BY GUARANTEE**

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 March 2008

11. Statement of funds

	General reserve	Total unrestricted funds	Befriending	Contact	Total restricted funds	Total funds
	£	£	£	£	£	£
At 1 April 2007	136,139	136,139	-	4,267	4,267	140,406
Prior year adjustment	1,509	1,509	-	-	-	1,509
1 April 2007 as restated	137,648	137,648	-	4,267	4,267	141,915
Incoming	19,883	19,883	41,090	101,086	142,176	162,059
Outgoing	(21,026)	(21,026)	(41,056)	(107,102)	(148,158)	(169,184)
Transfers	(3,939)	(3,939)	(34)	3,973	3,939	-
At 31 March 2008	<u>132,566</u>	<u>132,566</u>	<u>-</u>	<u>2,224</u>	<u>2,224</u>	<u>134,790</u>

12. Analysis of net assets

	Tangible fixed assets	Net current assets	Creditors over 1 Year	Total
	£	£	£	£
Unrestricted funds				
General Funds	120,000	18,816	(6,250)	132,566
Restricted funds	-	2,224	-	2,224
	<u>120,000</u>	<u>21,040</u>	<u>(6,250)</u>	<u>134,790</u>

13. Company limited by guarantee

The Company is a company limited by guarantee. At the end of the year there were 7 Trustees, each of whom, under the terms of the Memorandum and Articles of Association, had undertaken to contribute the sum not exceeding £10 in the event of a winding up of the company.