

**COUNTRY HOLIDAYS FOR INNER CITY KIDS**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2010**

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

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The following pages do not form part of the statutory financial statements:

**COUNTRY HOLIDAYS FOR INNER CITY KIDS**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 DECEMBER 2010**

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**Trustees**

Marion Ruth Luckhurst, Chair  
Kenneth William George Cherrett  
Larry Russell William File (resigned 23 November 2010)  
Barry Kevin Stamp  
Arpita Ghosal  
Robert Felton Mulliner  
Debbie Jane Provan (resigned 24 September 2010)  
John Gilchrist Stewart  
Raymond Reginald Miles  
John Willis

**Company registered number**

03985540

**Charity registered numbers**

1080953 and SCO40536

**Registered office**

Moorland Retreat  
Bonnaford  
Brentor  
Tavistock  
PL19 0LX

**Company secretary**

Roy Endacott

**Chief executive officer**

Roy Endacott

**Auditors**

Bishop Fleming  
Chartered Accountants  
Statutory Auditors  
50 The Terrace  
Torquay  
Devon  
TQ1 1DD

**Bankers**

Barclays Bank Plc  
PO Box 330  
3 Bedford Street  
Exeter

**COUNTRY HOLIDAYS FOR INNER CITY KIDS**  
(A company limited by guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**Advisers (continued)**

**Solicitors**

Parnalls Solicitors  
15-19 Westgate Street  
Launceston  
Cornwall

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Country Holidays for Inner City Kids (the company and the group) for the year ended 31 December 2010. The Trustees confirm that the Annual report and financial statements of the company and the group comply with the current statutory requirements, the requirements of the company and the group's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**CONSTITUTION**

The company and the group is constituted under a Memorandum of Association dated 4 May 2000 and is a registered charity number 1080953.

The principal object of the company and the group is to provide respite breaks for children.

**METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

Trustees are recruited through individual recommendations made by both staff and existing Board members or by individuals approaching the Charity. Potential Trustees are then invited to attend a formal interview where the Board can assess the candidate's suitability. The Trustees objective is to ensure that the Board contains individuals with the necessary expertise to manage all aspects of the Charity.

**POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

New Trustees are subjected to an informal induction process and thereafter training is provided on demand, as required for the satisfactory performance of an individuals duties.

**ORGANISATIONAL STRUCTURE AND DECISION MAKING**

The Trustees meet at least four times a year (plus an AGM and Strategy Day) to provide governance; to progress the aims of the Charity; to review financial matters; to approve proposals; and to discuss forward strategy.

**RISK MANAGEMENT**

The significant risks to the Charity have been identified and documented for assessment. The Trustees and Management review all potential risks to the Charity from disaster management to the effective use of personnel and material resources.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**OBJECTIVES AND ACTIVITIES**

**Main objectives**

The Charity is based on Christian principles and has the follow mission statement:

- To be perceived as a premiere charity providing free respite breaks and support for, and the development of, disadvantaged children irrespective of race, religion or creed.
- To develop a culture of caring and service within the organisation.
- To take all necessary steps to ensure controlled and effective national growth.
- To recognise the importance of donors to its success by continuing to increase and broaden its donor base and to encourage the expansion of 'Friends of CHICKS' throughout the UK.
- To use information technology to expand and broaden the Charity's appeal.
- Operating within its available resources, to maximise the number of disadvantage children who are able to enjoy the optimum choice during their respite break.

**Strategic objective**

The key strategic objective for the charity remains to provide as many disadvantaged and underprivileged children as possible, aged 8 - 15, with a free respite break on an annual basis within the resources available.

CHICKS has set itself a target of operating four centres around the UK by 2020 and is on course to achieve this challenging goal. The Trustees are aware that the whole CHICKS experience is very much focused on each child being treated as an individual and therefore CHICKS provides a high adult to child ratio of 1:2 to ensure each child is well cared for. The Trustees will continue to ensure the quality of care provided is not compromised by chasing targets or numbers to the detriment of the children in our care.

CHICKS aims to continue to reach the most disadvantaged and vulnerable children in the UK, including those in care; those suffering poverty, illness or bereavement; child carers; victims of abuse and crime; and children whose parents are addicts. CHICKS has so far provided over 8000 children with a free respite break, filled with fun, in a safe environment where the children make new friends, undertake new experiences, grow in confidence, motivation and ambition, and leave with a increased sense of self worth.

The implementation of a Fundraising Strategy aligned to the charity's operational strategy, has provided a solid foundation that has underpinned CHICKS' plans to develop, expand and sustain its services. CHICKS Board of Trustees remain focused on the task in hand, to help as many disadvantaged children as possible within the available resources, and this clarity of purpose has demonstrated to current and prospective supporters the Charity's motivation to deliver on its key objective. Within the current climate statements of intent are not enough to help the growing number of disadvantaged children who are often the unforeseen victims in such circumstances.

**Public Benefit**

CHICKS has considered the Charity Commission's general guidance on public benefit when reviewing our aims and objectives. CHICKS provides free respite breaks, in the countryside and at its Coastal Retreat, for disadvantaged children, aged between 8 and 15, from across the UK, regardless of race or religion. These children would not otherwise enjoy a break due to the deprived circumstances in which they find themselves.

CHICKS vision remains 'to give every disadvantaged child the opportunity to feel valued' and in so doing CHICKS is not only helping each individual child, but also society in general.

**Health and Safety**

CHICKS takes all aspects of Health and Safety very seriously to both comply with legal requirements and to ensure a safe environment is maintained for all our children, staff, volunteers and visitors. Regular assessments and checks are carried out, working practices reviewed, records maintained, and opportunities provided for feedback/initiatives that identify areas for improvement.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**Related parties**

CHICKS has a wholly owned trading subsidiary called CHICKS (Trading) Limited. A company set-up to sell items using the name of CHICKS with all profits from trading being relinquished to the parent, in the pursuit of the charity's charitable objectives.

**VOLUNTEERS**

Volunteers continue to play a vital role in helping CHICKS meet its high standards of providing one adult for every two children during the planned activities. To ensure the safety of our children is protected and to ensure all legal obligations are fulfilled Criminal Record Bureau checks are undertaken on all volunteers before they are permitted to work with the children. The level of dedication shown by the volunteers, many of whom return year on year to assist with the children, is testament to the difference a week at CHICKS can make.

Additional teams of volunteers also assist the charity in many different ways. These include a team of gardeners who grow fresh vegetables in our very own garden for the children to enjoy each week, a team of fundraising volunteers who enthusiastically stuff envelopes full of Newsletters and information sheets on a regular basis to keep donors up to date with all CHICKS activities, and a committed band of volunteers who regularly attend/take part in sponsored runs, hops, skips and jumps, and many more fundraising events, to raise much needed funds for CHICKS.

In addition CHICKS is privileged to have a list of high profile celebrities who voluntarily support our work and help raise much needed funds.

**ACHIEVEMENTS AND PERFORMANCE**

The Trustees are pleased to report that in 2010 CHICKS provided over 1100 children with a free respite break, established a new office in Birmingham to build the charity's profile across the UK and employed an apprentice coordinator to help reach many more referral agents and build the capacity to take 1200 children in 2011.

The solid foundations that have been established over many years, including the physical growth and purchase of our two residential centres at Brentor in Devon and Tywardreath in Cornwall, combined with the skilled and experienced team of staff, and the continued support of our committed donors, have all contributed to the continued success of assisting over 8000 children.

Fundraising again topped the £1 million income total for the fourth year in succession and at a time of national economic uncertainty this proved to be a very positive outcome. However, none of this could have been achieved without the support of CHICKS committed individual donors, a stronger than expected rise in trust fundraising and the continued support from the corporate sector all contributed to this excellent result.

Expenditure increased in line with the budget to allow for the increase in child places as well as the continuation of upgrading the services available at our two centres.

Reserves maintained a healthy balance throughout the year and it is the Trustees desire to hold at least six months operating reserves to strengthen the financial standing of the Charity.

One new Trustee joined the Board during the Year. Robert Bourns, a Senior Partner with TLT Solicitors in Bristol, joined CHICKS Board of Trustees in November 2010. However, Debbie Proven and Larry File resigned from CHICKS Board of Trustees during the year. The Board of Trustees continue to review the skill set of its members and where opportunities arise to appoint additional new members these will be evaluated against the Board's requirements.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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The growth of CHICKS over recent years is testament to the need for this much sought after service and the strong support provided by an ever expanding supporter base is very encouraging. To ensure this growth is sustained in the future additional members of staff have been and will be recruited to assist in the delivery of the revised strategic plan of offering 1200 child places in 2011.

CHICKS repaid £100,000 of an outstanding loan from Charity Bank in connection with the purchase of its second centre at Moorland Retreat, in Brentor, Tavistock, Devon during 2010. This leaves a balance of just under £100,000 remaining and it is the Trustees intention to repay this loan in full as soon as funds allow.

The Charity's operational team continued their good work in 2010 with respite breaks taking place at both the Devon and Cornwall centres. The professional manner in which these camps are run remains a high priority for the Charity.

Key members of staff remain in the employ of the Charity, retaining valuable skills and experience. Over 1100 children received a free respite breaks in 2010, over 300 more than in 2009. At a time of economic uncertainty this is a magnificent achievement and the ability to offer additional places to children who are most in need at this difficult time is testament to our generous supporters.

Contact with the children, after their break, remains an important aspect of CHICKS' work. A fun and informative newsletter keeps the children in touch with the Charity's activities and the free post envelope service offered to the children continues to be monitored and is well used with annual numbers rising. Feedback from children, referral agents and volunteers remained very positive. Over 1100 Christmas presents were also wrapped and posted out to the children who had visited CHICKS this year.

The national profile of CHICKS continues to grow with increased activities and exposure in many areas including London, Manchester and Glasgow to name but a few, and with a new office opened in Birmingham it is hoped this both raise CHICKS profile in this area and target more referral agents.

**FINANCIAL REVIEW**

2010 proved to be a challenging year given the uncertain economic climate for fundraising and the continued demand for child places. The positive level of income generation experienced, coupled with tight control levels over expenditure, resulted in positive performance figures. Income exceeded a million pounds for the fourth year in the charity's history to stand at £1,356,746, with expenditure increasing on the previous year to fund the additional child places to stand at £1,353,964, which included £100,000 of the outstanding loan being repaid.

Prudent control over the budget enabled the operating reserves to be maintained at a reasonable level. It is the Trustees intention to hold the reserves as a buffer against any potential future downturn in income and any additional surpluses will be used to repay the loan on the centre at Moorland Retreat and increase the number of child places on offer.

All monies that are not needed to cover expenditure in the short term are held in Business Deposit Accounts to achieve a level of interest income for CHICKS.

**RESERVES POLICY**

The implication of a comprehensive funding audit identifies any significant risks that may affect the Charity's income streams on an annual basis. The Trustees believe that establishing a level of Reserves equivalent to between four and six months trading will provide sufficient resources to withstand any short-term adverse trading conditions the Charity may encounter. This equates to between £480,000 and £720,000. At the year end, the charity had free reserves of £470,198.



## **PLANS FOR THE FUTURE**

CHICKS' continues to expand its operational plans by offering 1200 children the chance of a free respite break in 2011 due to the continued demand for child places. In offering these additional child places CHICKS Board of Trustees are very aware of the need to build CHICKS capacity to deliver the longer term expansion plans of operating four centres around the country by 2020 and it will therefore be necessary to start planning for a third centre in the near future.

Building long-term relationships with the children is an important aspect of the Charity's work that could easily be overlooked as numbers grow. Each child is given a free-post envelope when they depart and any child that writes will get a personal reply with an additional free-post envelope included. A Children's Newsletter is currently sent to all the children that visit CHICKS on an annual basis and plans are afoot that will allow CHICKS to maintain this contact with the children until they reach the age of 18 - when they can come back as volunteers, which some have already done.

CHICKS has entered into a three year research project with Exeter University that will measure the outcomes and benefits to the children we help. Quantifying the benefits and measuring the outputs by an independent organisation will provide a positive endorsement of the charity's work.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The Trustees (who are also directors of Country Holidays for Inner City Kids for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company and charity 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 charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**PROVISION OF INFORMATION TO AUDITORS**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable group's auditors in connection with preparing their report and to establish that the charitable group's auditors are aware of that information.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 13 June 2011 and signed on their behalf, by:

**Marion Ruth Luckhurst**

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COUNTRY HOLIDAYS FOR INNER CITY KIDS**

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We have audited the financial statements of Country Holidays for Inner City Kids for the year ended 31 December 2010 set out on pages 11 to 25. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's Trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act, section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company'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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditors under the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under section 43 of the Charities Act 1993 and report to you in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements.

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2010 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 1993 and the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

In our opinion the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COUNTRY HOLIDAYS FOR INNER CITY  
KIDS**

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Pamela Tuckett FCA DChA (Senior statutory auditor)

for and on behalf of

**Bishop Fleming**

Chartered Accountants

Statutory Auditors

50 The Terrace

Torquay

Devon

TQ1 1DD

23 June 2011

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(incorporating income and expenditure account)  
FOR THE YEAR ENDED 31 DECEMBER 2010**

	Note	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
<b>INCOMING RESOURCES</b>					
Incoming resources from generated funds:					
Voluntary income	2	436,421	744,255	1,180,676	997,521
Activities for generating funds	3,4	-	162,066	162,066	128,386
Investment income		-	7,625	7,625	1,530
Other incoming resources	5	-	6,379	6,379	6,307
<b>TOTAL INCOMING RESOURCES</b>		<b>436,421</b>	<b>920,325</b>	<b>1,356,746</b>	<b>1,133,744</b>
<b>RESOURCES EXPENDED</b>					
Costs of generating funds:					
Costs of generating voluntary income	6	-	368,232	368,232	275,115
Trading activities	4	-	1,095	1,095	22,052
Charitable activities	7	401,253	571,246	972,499	798,548
Governance costs	8	-	12,138	12,138	5,419
<b>TOTAL RESOURCES EXPENDED</b>		<b>401,253</b>	<b>952,711</b>	<b>1,353,964</b>	<b>1,101,134</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>		<b>35,168</b>	<b>(32,386)</b>	<b>2,782</b>	<b>32,610</b>
Transfers between Funds	18	1,218	(1,218)	-	-
<b>NET MOVEMENT IN FUNDS FOR THE YEAR</b>		<b>36,386</b>	<b>(33,604)</b>	<b>2,782</b>	<b>32,610</b>
Total funds at 1 January 2010		1,003,571	967,474	1,971,045	1,938,435
<b>TOTAL FUNDS AT 31 DECEMBER 2010</b>		<b>1,039,957</b>	<b>933,870</b>	<b>1,973,827</b>	<b>1,971,045</b>

The notes on pages 14 to 25 form part of these financial statements.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**REGISTERED NUMBER: 03985540**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2010**

	Note	£	2010 £	£	2009 £
<b>FIXED ASSETS</b>					
Tangible assets	13		<b>1,433,838</b>		1,437,380
<b>CURRENT ASSETS</b>					
Stocks		<b>16,838</b>		16,296	
Debtors	15	<b>36,662</b>		74,154	
Cash at bank and in hand		<b>578,086</b>		714,169	
			<u><b>631,586</b></u>	<u>804,619</u>	
<b>CREDITORS:</b> amounts falling due within one year	16	<b>(37,649)</b>		(95,906)	
			<u><b>593,937</b></u>	<u>708,713</u>	
<b>NET CURRENT ASSETS</b>					
			<u><b>2,027,775</b></u>	<u>2,146,093</u>	
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>					
<b>CREDITORS:</b> amounts falling due after more than one year	17		<u><b>(53,948)</b></u>	<u>(175,048)</u>	
<b>NET ASSETS</b>			<u><u><b>1,973,827</b></u></u>	<u><u>1,971,045</u></u>	
<b>CHARITY FUNDS</b>					
Restricted funds	18		<b>1,039,957</b>		1,003,571
Unrestricted funds	18		<b>933,870</b>		967,474
			<u><b>1,973,827</b></u>	<u>1,971,045</u>	

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees on 13 June 2011 and signed on their behalf, by:

**Marion Ruth Luckhurst**

The notes on pages 14 to 25 form part of these financial statements.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**COMPANY BALANCE SHEET  
AS AT 31 DECEMBER 2010**

	Note	£	2010 £	£	2009 £
<b>FIXED ASSETS</b>					
Tangible assets	13		<b>1,433,679</b>		1,437,168
Investments	14		<b>1</b>		1
			<u>1,433,680</u>		<u>1,437,169</u>
<b>CURRENT ASSETS</b>					
Stocks		<b>13,500</b>		13,500	
Debtors	15	<b>36,118</b>		28,181	
Cash at bank and in hand		<b>576,276</b>		711,241	
		<u>625,894</u>		<u>752,922</u>	
<b>CREDITORS:</b> amounts falling due within one year	16	<b>(36,472)</b>		(48,834)	
<b>NET CURRENT ASSETS</b>			<u><b>589,422</b></u>		<u>704,088</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><b>2,023,102</b></u>		<u>2,141,257</u>
<b>CREDITORS:</b> amounts falling due after more than one year	17		<u><b>(53,948)</b></u>		<u>(175,048)</u>
<b>NET ASSETS</b>			<u><u><b>1,969,154</b></u></u>		<u><u>1,966,209</u></u>
<b>CHARITY FUNDS</b>					
Restricted funds	18		<b>1,039,957</b>		1,003,571
Designated funds	18		<b>513,672</b>		-
Unrestricted funds	18		<b>415,525</b>		962,638
			<u><u><b>1,969,154</b></u></u>		<u><u>1,966,209</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved by the Trustees on 13 June 2011 and signed on their behalf, by:

**Marion Ruth Luckhurst**

The notes on pages 14 to 25 form part of these financial statements.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

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**1. ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in March 2005, applicable accounting standards and the Companies Act 2006.

The Statement of financial activities (SOFA) and Balance sheet consolidate the financial statements of the company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the company alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

**1.2 COMPANY STATUS**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**1.3 FUND ACCOUNTING**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors which have been raised by the company for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.



**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

**1.4 INCOMING RESOURCES**

All incoming resources are included in the Statement of financial activities when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is the earlier of the company being notified of an impending distribution or the legacy being received.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies receivable are included in incoming resources when the charity is entitled to the income and the amount can be quantified with reasonable accuracy.

**1.5 RESOURCES EXPENDED**

All expenditure is accounted for on an accruals basis and has been included under expense categories that aggregate all costs for allocation to activities. Where costs cannot be directly attributed to particular activities they have been allocated on a basis consistent with the use of the resources.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company and include project management carried out at Headquarters. Governance costs are those incurred in connection with administration of the company and compliance with constitutional and statutory requirements.

**1.6 BASIS OF CONSOLIDATION**

The financial statements consolidate the accounts of Country Holidays for Inner City Kids and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within 408 of the Companies Act 2006 not to present its own Income and expenditure Account.

**1.7 TURNOVER**

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**1. ACCOUNTING POLICIES (continued)**

**1.8 TANGIBLE FIXED ASSETS AND DEPRECIATION**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Plant & machinery	-	25% reducing balance
Motor vehicles	-	25% reducing balance
Office equipment	-	25% reducing balance

**1.9 INVESTMENTS**

Investments are stated at market value at the balance sheet date. The Statement of financial activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Investments in subsidiaries are valued at cost less provision for impairment.

**1.10 STOCKS**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**2. VOLUNTARY INCOME**

	<b>Restricted funds 2010 £</b>	<b>Unrestricted funds 2010 £</b>	<b>Total funds 2010 £</b>	<b>Total funds 2009 £</b>
Donations	436,421	701,953	1,138,374	836,536
Legacies	-	42,302	42,302	21,869
Grants	-	-	-	139,116
	<hr/>	<hr/>	<hr/>	<hr/>
Voluntary income	<b>436,421</b>	<b>744,255</b>	<b>1,180,676</b>	<b>997,521</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**3. FUNDRAISING INCOME**

	<b>Restricted funds 2010 £</b>	<b>Unrestricted funds 2010 £</b>	<b>Total funds 2010 £</b>	<b>Total funds 2009 £</b>
Fundraising events	-	121,153	121,153	84,966
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

4.

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
<b>CHARITY TRADING INCOME</b>				
Trading income	-	40,913	40,913	43,420
<b>FUNDRAISING EXPENSES</b>				
Trading expenditure	-	1,095	1,095	22,052
	-	1,095	1,095	22,052
Net income from	-	39,818	39,818	21,368

5. **OTHER INCOMING RESOURCES**

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Other incoming resources	-	6,379	6,379	6,307

6. **COSTS OF GENERATING VOLUNTARY INCOME**

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Materials	-	5,615	5,615	4,260
Marketing and media	-	3,269	3,269	6,110
Events	-	50,062	50,062	24,045
Travel	-	11,909	11,909	15,233
Office costs	-	47,821	47,821	23,761
Staff costs	-	249,556	249,556	201,706
	-	368,232	368,232	275,115

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**7. EXPENDITURE BY CHARITABLE ACTIVITY**

**SUMMARY BY FUND TYPE**

	<b>Restricted funds 2010 £</b>	<b>Unrestricted funds 2010 £</b>	<b>Total funds 2010 £</b>	<b>Total funds 2009 £</b>
Provision of respite breaks	<b>401,253</b>	<b>571,246</b>	<b>972,499</b>	798,548

**SUMMARY BY EXPENDITURE TYPE**

	<b>Staff costs 2010 £</b>	<b>Depreciation 2010 £</b>	<b>Other costs 2010 £</b>	<b>Total 2010 £</b>	<b>Total 2009 £</b>
Provision of respite breaks	<b>522,294</b>	<b>61,188</b>	<b>389,017</b>	<b>972,499</b>	798,548

**8. GOVERNANCE COSTS**

	<b>Restricted funds 2010 £</b>	<b>Unrestricted funds 2010 £</b>	<b>Total funds 2010 £</b>	<b>Total funds 2009 £</b>
Auditors' remuneration	-	<b>5,763</b>	<b>5,763</b>	5,419
HR investigations	-	<b>5,386</b>	<b>5,386</b>	-
Trustees meetings	-	<b>989</b>	<b>989</b>	-
	<b>-</b>	<b>12,138</b>	<b>12,138</b>	5,419

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**9. DIRECT COSTS**

	<b>Provision of respite breaks £</b>	<b>Total 2010 £</b>	<b>Total 2009 £</b>
Childrens activities	74,834	74,834	45,238
Rent and utilities	22,912	22,912	20,414
Equipment and maintenance	21,328	21,328	24,084
Buildings and ground maintenance	38,553	38,553	17,920
Insurance	20,302	20,302	19,518
Advertising and promotions	9,306	9,306	-
Vehicle running costs and travel	41,189	41,189	33,094
Food and provisions	54,247	54,247	40,263
Other holiday costs	18,254	18,254	22,300
Training and recruitment	6,653	6,653	-
Wages and salaries	420,981	420,981	334,070
Depreciation	61,188	61,188	54,762
	<u>789,747</u>	<u>789,747</u>	<u>611,663</u>

**10. SUPPORT COSTS**

	<b>Provision of respite breaks £</b>	<b>Total 2010 £</b>	<b>Total 2009 £</b>
Training and recruitment	15,892	15,892	20,220
Printing, postage, stationery and telephone	25,966	25,966	14,422
Legal and professional fees	1,297	1,297	9,462
Office overheads	13,277	13,277	18,172
Sundry expenses	3,494	3,494	4,423
Software upgrades	10,105	10,105	7,808
Bank charges and interest	11,408	11,408	9,768
Wages and salaries	101,313	101,313	102,610
	<u>182,752</u>	<u>182,752</u>	<u>186,885</u>

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**11. NET INCOME / (EXPENDITURE)**

This is stated after charging:

	<b>2010</b>	2009
	£	£
Depreciation of tangible fixed assets: - owned by the charitable group	<b>61,242</b>	54,762
Governance Auditors' remuneration	<b>5,763</b>	5,419
	<u><u>67,005</u></u>	<u><u>60,181</u></u>

During the year, no Trustees received any remuneration (2009: £NIL).  
During the year, no Trustees received any benefits in kind (2009: £NIL).

During the year, trustees meeting expenses of £989 were paid by the charity.

**12. STAFF COSTS**

Staff costs were as follows:

	<b>2010</b>	2009
	£	£
Wages and salaries	<b>771,850</b>	638,386
	<u><u>771,850</u></u>	<u><u>638,386</u></u>

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

	<b>2010</b>	2009
	No.	No.
Fundraising	<b>12</b>	9
Operations	<b>21</b>	18
Support	<b>3</b>	3
	<u><u>36</u></u>	<u><u>30</u></u>

No employee received remuneration amounting to more than £60,000 in either year.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**13. TANGIBLE FIXED ASSETS**

<b>GROUP</b>	<b>Freehold property £</b>	<b>Plant &amp; machinery £</b>	<b>Motor vehicles £</b>	<b>Office equipment £</b>	<b>Total £</b>
<b>COST</b>					
At 1 January 2010	1,499,535	52,283	80,294	70,260	1,702,372
Additions	7,700	-	50,000	-	57,700
At 31 December 2010	1,507,235	52,283	130,294	70,260	1,760,072
<b>DEPRECIATION</b>					
At 1 January 2010	137,157	44,779	45,597	37,459	264,992
Charge for the year	29,991	1,876	21,175	8,200	61,242
At 31 December 2010	167,148	46,655	66,772	45,659	326,234
<b>NET BOOK VALUE</b>					
At 31 December 2010	1,340,087	5,628	63,522	24,601	1,433,838
At 31 December 2009	1,362,378	7,504	34,697	32,801	1,437,380
<b>COMPANY</b>					
<b>COST</b>					
At 1 January 2010	1,499,535	52,283	80,294	67,348	1,699,460
Additions	7,700	-	50,000	-	57,700
At 31 December 2010	1,507,235	52,283	130,294	67,348	1,757,160
<b>DEPRECIATION</b>					
At 1 January 2010	137,157	44,779	45,597	34,759	262,292
Charge for the year	29,991	1,876	21,175	8,147	61,189
At 31 December 2010	167,148	46,655	66,772	42,906	323,481
<b>NET BOOK VALUE</b>					
At 31 December 2010	1,340,087	5,628	63,522	24,442	1,433,679
At 31 December 2009	1,362,378	7,504	34,697	32,589	1,437,168

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2010**

**14. FIXED ASSET INVESTMENTS**

<b>COMPANY MARKET VALUE</b>	<b>Shares in group undertakings £</b>
At 1 January 2010 and 31 December 2010	<u>1</u>
<b>HISTORICAL COST</b>	<u>1</u>

**15. DEBTORS**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2010</b>	2009	<b>2010</b>	2009
	£	£	£	£
Trade debtors	<b>36,662</b>	74,154	<b>36,118</b>	28,181

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

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2010</b>	2009	<b>2010</b>	2009
	£	£	£	£
Bank loans and overdrafts	<b>27,420</b>	18,833	<b>27,420</b>	18,833
Trade creditors	<b>3,800</b>	12,284	<b>3,797</b>	12,284
Social security and other taxes	<b>514</b>	6,035	<b>238</b>	-
Other creditors	<b>15</b>	-	<b>15</b>	-
Accruals and deferred income	<b>5,900</b>	58,754	<b>5,002</b>	17,717
	<b>37,649</b>	95,906	<b>36,472</b>	48,834

The above loans are secured on the assets of the charity.

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

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2010</b>	2009	<b>2010</b>	2009
	£	£	£	£
Bank loans	<b>53,948</b>	175,048	<b>53,948</b>	175,048

The above loans are secured on the assets of the charity.



**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS  
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**18. STATEMENT OF FUNDS**

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Carried Forward £
<b>DESIGNATED FUNDS</b>					
Property fund	-	-	-	463,672	463,672
<b>GENERAL FUNDS</b>					
General Funds	967,474	920,325	(952,711)	(464,890)	470,198
Total Unrestricted funds	967,474	920,325	(952,711)	(1,218)	933,870
<b>Property fund</b>					
The property fund represents the net book value of unrestricted fixed assets held by the charity.					
<b>RESTRICTED FUNDS</b>					
Capital funds					
Breaks and office equipment	6,378	3,200	(3,496)	-	6,082
Appeal for Coastal Retreat	368,471	-	-	-	368,471
Appeal for Moorland Retreat	528,729	-	-	-	528,729
Barn development	52,674	2,599	(2,599)	-	52,674
Premises and equipment costs	14,209	-	-	-	14,209
Revenue funds					
Youth apprenticeship training	-	30,894	(10,120)	-	20,774
Provision of respite breaks	29,148	399,728	(380,336)	-	48,540
Christmas present fund	3,484	-	(4,702)	1,218	-
Raffle prizes	478	-	-	-	478
	<u>1,003,571</u>	<u>436,421</u>	<u>(401,253)</u>	<u>1,218</u>	<u>1,039,957</u>
Total of funds	<u><u>1,971,045</u></u>	<u><u>1,356,746</u></u>	<u><u>(1,353,964)</u></u>	<u><u>-</u></u>	<u><u>1,973,827</u></u>

**Breaks and office equipment**

This fund was set up to purchase playground and holiday equipment.

**Appeal for Coastal Retreat**

This fund was set up to purchase the Coastal Retreat.

**Appeal for Moorland Retreat**

This fund was set up to purchase the Moorland Retreat.

**Barn development**

This fund was set up to fund the barn development at Moorland Retreat

**Premises and equipment costs**

This fund is used to new equipment such as minibuses

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**18. STATEMENT OF FUNDS (continued)**

**Provision of respite breaks**

This fund was set up to fund various holiday camps for children

**Christmas present fund**

This fund was set up to purchase christmas presents for children

**Raffle prizes**

This fund is used to purchase prizes for raffles held

**Youth apprenticeship training**

This fund was set up to fund wages and training costs for the youth apprentice scheme.

**19. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Restricted funds 2010 £	Unrestricted funds 2010 £	Total funds 2010 £	Total funds 2009 £
Tangible fixed assets	970,165	463,672	1,433,837	1,437,378
Current assets	69,792	561,794	631,586	804,619
Creditors due within one year	-	(37,648)	(37,648)	(95,904)
Creditors due in more than one year	-	(53,948)	(53,948)	(175,048)
	<u>1,039,957</u>	<u>933,870</u>	<u>1,973,827</u>	<u>1,971,045</u>

**20. OPERATING LEASE COMMITMENTS**

At 31 December 2010 the Group had annual commitments under non-cancellable operating leases as follows:

<b>GROUP</b>	<b>Land and buildings</b>	
<b>EXPIRY DATE:</b>	2010 £	2009 £
Within 1 year	4,680	-
Between 2 and 5 years	6,703	-
	<u>11,383</u>	<u>-</u>

**COUNTRY HOLIDAYS FOR INNER CITY KIDS  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**21. CONTROLLING PARTY**

The company was controlled by the board of trustees.

**22. PRINCIPAL SUBSIDIARIES**

<b>Company name</b>	<b>Country</b>	<b>Percentage Shareholding</b>
CHICKS (Trading) Limited	England	100%