

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

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

**CONDY MATHIAS
Chartered Accountants
3 Atlas House
West Devon Business Park
Tavistock
PL19 9DP**

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

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

**REFERENCE AND ADMINISTRATION DETAILS OF THE CHARITY, IT'S TRUSTEES AND
ADVISERS FOR THE YEAR ENDED 31 DECEMBER 2012**

Trustees

Marion Ruth Luckhurst
Kenneth William George Cherrett
Barry Kevin Stamp
Russell Kenneth Moore
Mark Francis Duddridge
Morag Christine McLintock
Arpita Ghosal (resigned 2 February 2012)
Robert Felton Mulliner (resigned 20 April 2012)
John Gilchrist Stewart (resigned 20 April 2012)
Stephen David Brearley (appointed 22 June 2012)

Company registered number

03985540

Charity registered numbers

1080953 and SCO40536

Registered office

Moorland Retreat, Bonnaford, Brentor, Tavistock, PL19 0LX

Company secretary

Elanor Hoskin

Chief executive officer

Elanor Hoskin

Auditors

Condy Mathias, 3 Atlas House, West Devon Business Park, Tavistock, PL19 9DP

Bankers

Barclays Bank Plc, PO Box 330, 3 Bedford Street, Exeter, EX1 1ZN

Solicitors

Parnalls Solicitors, 15-9 Westgate Street, Launceston, Cornwall, PL15 7AB

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDING 31 DECEMBER 2012**

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 2012. 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

1. Constitution

The company and the group is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 4 May 2000.

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

2. 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.

3. 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 individual's duties.

4. 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.

5. 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.

OBJECTIVES AND ACTIVITIES

1. Policies and Objectives

The charity has the following mission statement:

To offer free respite breaks to underprivileged children and young carers nationally, irrespective of race, colour or creed.

To focus these breaks on fun and friendship in a family atmosphere of care and trust, within the boundaries of safety and duty of care; empowering the development of self-esteem and self-confidence with respect, encouragement and praise.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDING 31 DECEMBER 2012**

2. Strategies for Achieving Objectives

The short-term strategic objective for the charity remains to be providing 1200 children a year with a free respite break in 2013 and the longer-term objectives identified require the charity to be operating a third retreat by 2015 with the view to fulfilling the 20 year vision of operating four retreats by 2020. As part of this planning process it is imperative that the charity is able to:

- Provide free fun filled respite breaks that will provide the children we serve with positive happy memories and hope for the future.
- Sustain the financial stability of the charity.
- Raise the national profile and awareness of CHICKS.
- Grow the number of volunteer supporters in line with the number of breaks provided.
- Expand the number of referral agents from across the UK to extend the reach of children offered respite breaks.
- Provide the highest quality, most beneficial breaks possible.
- Maintain the quality of the respite break provided by CHICKS.
- Strengthen CHICKS Case for Support across all communications.
- Grow the number of supporters, across all income streams, year on year.
- Maintain effective and appropriate communications with beneficiaries.
- Continue to improve relationships and communication with key professional partners and stakeholders.
- Continue to recruit, service and support a dedicated team of employees.

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. 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 all forms of abuse and crime; and children whose parents are addicts. CHICKS has so far provided over 10,000 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 an increased sense of self worth.

The implementation of a Fundraising Strategy aligned to the charity's operational strategy, has continued to provide a solid foundation that has underpinned CHICKS' plans to develop, sustain and expand 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 determination to deliver on its key objective. Within the current economic climate statements of intent are not

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDING 31 DECEMBER 2012**

enough to help the growing number of disadvantaged children who are often the unforeseen victims in this difficult financial environment.

Public Benefit

CHICKS provides free respite breaks, at both its Moorland and Coastal Retreats, 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'. In so doing CHICKS is not only helping each individual child, but also society in general by helping to create a future generation with sound values and behaviours.

The Board of Trustees have given regard to the legislative and regulatory requirements for disclosing how its charitable objectives have provided benefit to the public.

The Board of Trustees has complied with the duty set out in Section 4 of the Charities Act 2011, and that set out by the Office of the Scottish Charity regulator in the Trustee Investment (Scotland) Act 2005.

Health and Safety

CHICKS takes all aspects of Health and Safety very seriously, both to 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.

Incident reports are produced for any Health & Safety issues and these reports are regularly reviewed by the senior management team and Trustees.

Related Parties

CHICKS has a wholly owned trading subsidiary called CHICKS (Trading) Limited. A company setup 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.

3. 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 and references 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 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 magazines and information sheets on a regular basis to keep our supporters up to date with all CHICKS activities and a committed band of volunteers who regularly attend/take part in sponsored runs, hikes and jumps and many more fundraising events to raise much needed funds for CHICKS.

**COUNTRY HOLIDAYS FOR INNER CITY KIDS
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDING 31 DECEMBER 2012**

ACHIEVEMENTS AND PERFORMANCE

1. Review of Activities

The Trustees are pleased to report that in 2012 CHICKS provided over 1,100 disadvantaged children with a free respite break. This includes successfully providing, for the second time, two respite break camps at Christmas for children who needed a break away from their home lives over the festive period. Feedback from these camps has remained very positive and we plan to repeat this unique experience for children at Christmas again, finances permitting.

2012 was the charities 20th Anniversary and during this celebratory year we were delighted to welcome HRH The Duke of Gloucester and other key supporters to a special garden party at Moorland Retreat to officially mark the occasion. We were also thrilled during this anniversary year to be shortlisted by Charity Times as 'Charity of the Year' and then went on to round the year off with a very successful Birthday Ball at HMS Drake Plymouth.

The solid foundations that have been established over many years, including the physical growth and purchase of our two residential retreats 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 10,000 disadvantaged children. CHICKS fundraising topped the £1 million mark for the sixth year in succession but with continued national economic uncertainty this was again a challenging year for the charity. However, the investment in the new post of Business Development Manager within the Fundraising team has started to pay dividends with new partnerships being formed and new income being either received or pledged for 2013. We also had success with our '20th Anniversary' magazine appeal and Christmas camps appeal which meant income increased towards the end of the year.

At the beginning of 2012 the charity had to adapt to ensure that we remained financially secure given the uncertain economic climate. We did this by making efficiencies but also by altering our respite breaks to run Monday to Friday and we are pleased that these changes have proved successful.

Reserves decreased slightly throughout the year and it remains the Trustees aspiration 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, Stephen Brearley, who has a background in working with children at Barnardo's. Arpita Ghosal, Robert Mulliner and John Stewart resigned from CHICKS Board of Trustees during the year. The Board would like to pay special thanks to Rob Mulliner and John Stewart who left the Board after more than 15 years of dedicated service. 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.

The growth of CHICKS over recent years is testament to the need for this much sought after service and the strong support provided by our supporter base is very encouraging and vital for the charity at this time. The Charity's operational team continued their good work in 2012 with respite breaks continuing to take place at both the Devon and Cornwall retreats. The professional manner in which these camps are run remains a high priority for the Charity.

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 we have continued our free post envelope service which enables the children to write to the supervisory team, volunteers and other children. This service is vital in continuing long term contact with CHICKS children, it is monitored regularly and is well used with annual numbers rising. In addition, each child received a birthday card, Christmas card and present.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDING 31 DECEMBER 2012**

Over 1150 Christmas presents were wrapped and were either posted out to the children who had visited CHICKS this year or delivered personally to the children on camp on Christmas day. Feedback from children, referral agents and volunteers remained very positive.

Financial Review

2012 continued to be a year of challenges and adaptation for CHICKS, but also a very positive year. During 2011 the management team took a fresh look at the organisation and put in place a number of efficiencies to control costs throughout 2012, to keep the high quality of the breaks but on a smaller sustainable cost base. This involved restructuring the camps and the organisation as a whole.

The result has been a decrease in expenditure of over £230,000 (16.5%) from 2011. Due to continued efficiencies during the year and an overall awareness throughout the organisation, the total savings were considerably greater than originally planned.

Income for the year at £1,130,141 was under the planned forecast for the year, however there was an upward trend in the second half of the year and our supporter base was extremely loyal.

Whilst the income was less than that achieved in 2011 there was a net deficit for 2012 of £33,917 compared to £182,339 in 2011 which is extremely encouraging. This was due to the efficiencies made during the year and was achieved through the hard work from the team as a whole. Throughout the year the staff received regular updates on income and expenditure which contributed to everyone working together and an increased general awareness of the short term objectives and how these contribute to the long term strategy.

The change of camps to Monday to Friday was received positively by external stakeholders and it is felt that the quality of the breaks was retained, with this in mind they are continuing in this structure into 2013.

Total reserves decreased very slightly during the year, at the year end they stood at £1,757,571 and remained within the levels detailed in the Reserves Policy throughout 2012.

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.

FINANCIAL REVIEW

1. Reserves Policy

During 2011, the 2012 income plan was reviewed to identify areas where income may be at risk and the impact this would have on CHICKS. The Trustees believe that establishing a level of Reserves equivalent to between two and six months trading will provide sufficient resources to withstand any short term adverse trading conditions the Charity may encounter. This equates to between £207,000 and £621,000. At the year end, the charity had free reserves of £317,985.

PLANS FOR THE FUTURE

1. Future Developments

2012 marked the charity's 20th anniversary and as we move into 2013 we plan to offer a further 1200 respite breaks bringing the total number of disadvantaged children helped by CHICKS to over 11,000. As a charity we have continued to focus on protecting the children's free respite breaks from the current economic climate as the demand for our services increases.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDING 31 DECEMBER 2012**

The economic climate continues to push many more children into poverty and the need for a CHICKS break is in demand now more than ever. As a charity we continue to believe it is important to be able to maintain the number and quality of free respite breaks available. We have continued to use the same formula that has worked in 2012 by balancing the need for breaks with the changes in the economic climate both in terms of fundraising and rising costs.

The need for charities to continue to be adaptable in the current climate is crucial and we have taken this into consideration when making the decision to continue the running of our respite break camps from Monday to Friday. This will continue to help reduce our expenditure in line with the income forecast for 2013 whilst still retaining the number of children we can help and the quality of care that we can offer.

Our strategy continues to be to open further retreats in line with our objectives and help even more disadvantaged children. These goals remain at the heart of the organisation and during 2013 we are looking to build capacity and secure more long term funding to enable us to deliver the longer term expansion plans of operating four retreats around the country by 2020.

The three year research project with Exeter University, measuring the benefits to the children we help, is nearing its end and with preliminary findings looking very positive we look forward to seeing the full research paper. Quantifying the benefits and measuring the outputs through an independent organisation should provide a positive endorsement of the charity's work.

TRUSTEES' RESPONSIBILITIES STATEMENT

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 judgements 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.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDING 31 DECEMBER 2012**

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 26 April 2013 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
FOR THE YEAR ENDING 31 DECEMBER 2012**

We have audited the financial statements of Country Holidays for Inner City Kids for the year ended 31 December 2012, set out on pages 11 to 23. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). These financial statements have been prepared with the requirements of the Financial Reporting Standards for Smaller Entities (effective April 2008).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement on page 7, the Trustees' (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under 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 (APB'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 charitable 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. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2012 and of the group's charitable company'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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended)

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

**INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF COUNTRY HOLIDAYS FOR
INNER CITY KIDS
FOR THE YEAR ENDING 31 DECEMBER 2012**

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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's financial statements are not in agreement with the accounting records or 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.

John Hillier (Senior Statutory Auditor)
For and on behalf of
Condy Mathias
Statutory Auditors
3 Atlas House
West Devon Business Park
Tavistock
PL19 9DP

9 May 2013

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

**CONSOLIDATION STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating income and expenditure accounts)
FOR THE YEAR ENDING 31 DECEMBER 2012**

	Note	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	372,888	624,310	997,198	1,056,134
Activities for generating funds	3,4	-	121,518	121,518	145,273
Investment income		-	3,302	3,302	5,036
Other incoming resources	5	-	8,123	8,123	5,807
TOTAL INCOMING RESOURCES		<u>372,888</u>	<u>757,253</u>	<u>1,130,141</u>	<u>1,212,250</u>
RESOURCES EXPENDED					
Cost of generating funds:					
Cost of generating voluntary income	6	-	270,756	270,756	325,264
Fundraising expenses and other costs	4	-	9	9	979
Charitable activities	7,8	367,879	516,349	884,228	1,058,911
Governance costs	9	-	9,065	9,065	9,435
TOTAL RESOURCES EXPENDED		<u>367,879</u>	<u>796,179</u>	<u>1,164,058</u>	<u>1,394,589</u>
NET INCOME/(EXPENDITURE) BEFORE TRANSFERS		5,009	(38,926)	(33,917)	(182,339)
Transfers between funds	17	<u>(13,955)</u>	<u>13,955</u>	-	-
NET MOVEMENT IN FUNDS FOR THE YEAR		(8,946)	(24,971)	(33,917)	(182,339)
Total funds at 1 January 2012		<u>1,061,015</u>	<u>730,473</u>	<u>1,791,488</u>	<u>1,973,827</u>
TOTAL FUNDS AT 31 DECEMBER 2012		<u>1,052,069</u>	<u>705,502</u>	<u>1,757,571</u>	<u>1,791,488</u>

All the above activities are derived from continuing activities.

All gains and losses recognised in the year are included above.

The notes on pages 13 to 23 form part of these financial statements

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

CONSOLIDATION BALANCE SHEET
AS AT 31 DECEMBER 2012

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets	12		1,418,671		1,466,719
CURRENT ASSETS					
Stocks		9,730		13,972	
Debtors	14	13,448		152,004	
Cash at bank and in hand		425,363		310,718	
		<u>448,541</u>		<u>476,694</u>	
CREDITORS: amounts falling due within one year	15	<u>(51,369)</u>		<u>(84,669)</u>	
NET CURRENT ASSETS			<u>397,172</u>		<u>392,025</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,815,843		1,858,744
CREDITORS: amounts falling due after more than one year	16		<u>(58,272)</u>		<u>(67,256)</u>
NET ASSETS			<u>1,757,571</u>		<u>1,791,488</u>
CHARITY FUNDS					
Unrestricted funds	17		705,502		730,473
Restricted funds	17		<u>1,052,069</u>		<u>1,061,015</u>
			<u>1,757,571</u>		<u>1,791,488</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 26 April 2013 and signed on their behalf, by:

Kenneth William George Cherrett

The notes on page 14 to 23 form part of these financial statements.

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

**COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2012**

	Note	£	2012 £	£	2011 £
FIXED ASSETS					
Tangible assets	12		1,418,671		1,466,600
Investments	13		<u>1</u>		<u>1</u>
			1,418,672		1,466,601
CURRENT ASSETS					
Stocks		8,782		13,014	
Debtors	14	17,326		103,604	
Cash at bank and in hand		<u>420,934</u>		<u>310,217</u>	
		447,042		426,835	
CREDITORS: amounts falling due within one year	15	<u>(50,948)</u>		<u>(35,768)</u>	
NET CURRENT ASSETS			<u>396,094</u>		<u>391,067</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			1,814,766		1,857,668
CREDITORS: amounts falling due after more than one year	16		<u>(58,272)</u>		<u>(67,256)</u>
NET ASSETS			<u>1,756,494</u>		<u>1,790,412</u>
CHARITY FUNDS					
Unrestricted funds	17		704,425		729,397
Restricted funds	17		<u>1,052,069</u>		<u>1,061,015</u>
			<u>1,756,494</u>		<u>1,790,412</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 Standards for Smaller Entities (effective April 2008).

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

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 in the United Kingdom and the reporting requirements of the Charities Act 2011.

The Statements of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the company and its wholly owned subsidiary CHICKS (Trading) Limited. The results of the subsidiary are consolidated on a line by line basis.

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 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.

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.

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

**COUNTRY HOLIDAYS FOR INNER CITY KIDS
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**NOTES TO THE FINANCIAL STATEMENTS
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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 Tangible Fixed Assets and Depreciation

All assets costing more than £2,000 are capitalised.

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 the expected useful lives on the following basis:

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

1.7 Investments

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

1.8 Operating Leases

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

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2. VOLUNTARY INCOME

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Donations	372,888	601,553	974,441	984,954
Legacies	-	19,509	19,509	4,000
Other incoming resources	-	3,248	3,248	67,180
Voluntary income	<u>372,888</u>	<u>624,310</u>	<u>997,198</u>	<u>1,056,134</u>

3. FUNDRAISING INCOME

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Fundraising events	<u>-</u>	<u>80,233</u>	<u>80,233</u>	<u>105,235</u>

4. TRADING ACTIVITIES

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Charity Trading Income				
Trading income	<u>-</u>	<u>41,285</u>	<u>41,285</u>	<u>40,038</u>
Fundraising Trading Expenses				
Trading expenses	<u>-</u>	<u>9</u>	<u>9</u>	<u>979</u>
Net income from trading activities	<u>-</u>	<u>41,276</u>	<u>41,276</u>	<u>39,059</u>

5. OTHER INCOME RESOURCES

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Other incoming resources	<u>-</u>	<u>8,123</u>	<u>8,123</u>	<u>5,807</u>

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6. COSTS OF GENERATING VOLUNTARY INCOME

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Materials	-	7,572	7,572	8,598
Events	-	20,089	20,089	13,701
Travel	-	7,651	7,651	9,516
Office costs	-	36,333	36,333	49,587
Training and networking	-	3,098	3,098	3,191
Staff costs	-	196,013	196,013	240,671
	<u>-</u>	<u>270,756</u>	<u>270,756</u>	<u>325,264</u>

7. DIRECT COSTS

	Provision of respite breaks £	Total 2012 £	Total 2011 £
Loss on disposal of fixed asset	-	-	959
Children's activities	54,354	54,354	71,704
Rent and utilities	45,915	45,915	31,066
Equipment and maintenance	28,298	28,298	39,142
Buildings and ground maintenance	16,260	16,260	21,711
Insurance	16,395	16,395	16,649
Advertising and promotions	8,547	8,547	12,737
Printing, postage and stationery	10,062	10,062	-
Vehicle running costs and travel	44,162	44,162	56,807
Food and provision	35,352	35,352	57,286
Other holiday costs	11,338	11,338	10,311
Training and recruitment	8,215	8,215	6,217
Wages and salaries	361,955	361,955	436,658
Depreciation	54,948	54,948	57,856
	<u>695,801</u>	<u>695,801</u>	<u>819,103</u>

8. SUPPORT COSTS

	Provision of respite breaks £	Total 2012 £	Total 2011 £
Training and recruitment	8,025	8,025	48,840
Printing, postage, stationery and telephone	14,105	14,105	32,057
Legal and professional fees	9,482	9,482	784
Office overheads	16,931	16,931	13,898
Sundry expenses	243	243	9,526
Travel costs	2,997	2,997	-
Software upgrades and support	25,359	25,359	9,992
Bank charges and interest	4,679	4,679	6,013
Redundancy costs	-	-	4,060
Wages and salaries	106,606	106,606	114,638
	<u>188,427</u>	<u>188,427</u>	<u>239,808</u>

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9. GOVERNANCE COSTS

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Current auditor's remuneration	-	3,500	3,500	3,500
Previous auditor's non audit costs	-	1,778	1,778	2,561
Governance wages	-	3,363	3,363	2,950
Trustees meetings and trustees indemnity insurance	-	424	424	424
	<u>-</u>	<u>9,065</u>	<u>9,065</u>	<u>9,435</u>

10. NET EXPENDITURE

This is stated after charging:

	2012 £	2011 £
Depreciation of tangible fixed assets - owned by the charitable group	54,949	57,898
Auditor's remuneration	<u>3,500</u>	<u>3,500</u>

During the year, no Trustees received any remuneration (2011:£Nil) or benefits in kind (2011:£Nil).

During the year 1 trustee received reimbursement of expenses for room hire amounting to £65 (2011:£Nil).

During the year trustee's indemnity insurance was provided at a cost of £424 (2011:£424).

11. STAFF COSTS

Staff costs were as follows:

	2012 £	2011 £
Wages and salaries	617,228	729,407
National Insurance costs	<u>50,709</u>	<u>62,560</u>
	<u>667,937</u>	<u>791,967</u>

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

	2012 No.	2011 No.
Fundraising	11	10
Operations	22	25
Support	<u>3</u>	<u>3</u>
	<u>36</u>	<u>38</u>

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

During the year the charity also spent £18,401 (2011:£12,550) on agency staffing. Agency services are used when permanent recruitment is difficult due to the location of the position and the seasonal hours attached to the role.

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12. TANGIBLE FIXED ASSETS

	Freehold property £	Plant & machinery £	Motor vehicles £	Office equipment £	Total £
GROUP					
Cost					
As at 1 January 2012	1,575,095	52,283	145,284	70,260	1,842,922
Additions	<u>3,781</u>	<u>3,120</u>	<u>-</u>	<u>-</u>	<u>6,901</u>
As at 31 December 2012	<u>1,578,876</u>	<u>55,403</u>	<u>145,284</u>	<u>70,260</u>	<u>1,849,823</u>
Depreciation					
At 1 January 2012	197,366	48,062	78,966	51,809	376,203
Charge for the year	<u>31,288</u>	<u>1,705</u>	<u>17,255</u>	<u>4,701</u>	<u>54,949</u>
At 31 December 2012	<u>228,654</u>	<u>49,767</u>	<u>96,221</u>	<u>56,510</u>	<u>431,152</u>
Net Book Value					
At 31 December 2012	<u>1,350,222</u>	<u>5,636</u>	<u>49,063</u>	<u>13,750</u>	<u>1,418,671</u>
At 31 December 2011	<u>1,377,729</u>	<u>4,221</u>	<u>66,318</u>	<u>18,451</u>	<u>1,466,719</u>
COMPANY					
Cost					
At 1 January 2012	1,575,095	52,283	145,284	67,348	1,840,010
Additions	<u>3,781</u>	<u>3,120</u>	<u>-</u>	<u>-</u>	<u>6,901</u>
At 31 December 2012	<u>1,578,876</u>	<u>55,403</u>	<u>145,284</u>	<u>67,348</u>	<u>1,846,911</u>
Depreciation					
At 1 January 2012	197,366	48,062	78,966	49,016	373,410
Charge for the year	<u>31,288</u>	<u>1,705</u>	<u>17,255</u>	<u>4,582</u>	<u>54,830</u>
At 31 December 2012	<u>228,654</u>	<u>49,767</u>	<u>96,221</u>	<u>53,598</u>	<u>428,240</u>
Net Book Value					
At 31 December 2012	<u>1,350,222</u>	<u>5,636</u>	<u>49,063</u>	<u>13,750</u>	<u>1,418,671</u>
At 31 December 2011	<u>1,377,729</u>	<u>4,221</u>	<u>66,318</u>	<u>18,332</u>	<u>1,466,600</u>

**COUNTRY HOLIDAYS FOR INNER CITY KIDS
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13. FIXED ASSET INVESTMENTS

COMPANY	Shares in
Market Value	Group
	Undertakings
	£
At 1 January 2012 and 31 December 2012	<u>1</u>

COMPANY INVESTMENTS AT MARKET VALUE COMPROMISE:

	2012	2011
	£	£
Group	<u>1</u>	<u>1</u>

Company name	Country	Percentage Shareholding	Principle Activity
CHICKS (Trading) Limited	England	100%	The supply of items using the name of the charity known as CHICKS together with other commercial ventures.

The profit for the financial period of CHICKS (Trading) Limited was £Nil and the aggregate amount of capital and reserves at the end of the period was £1,078.

14. DEBTORS

	GROUP		COMPANY	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	10,786	149,024	10,786	101,024
Other debtors	117	400	3,995	-
Prepayments and accrued income	2,545	2,580	2,545	2,580
	<u>13,448</u>	<u>152,004</u>	<u>17,326</u>	<u>103,604</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	GROUP		COMPANY	
	2012	2011	2012	2011
	£	£	£	£
Bank loans and overdrafts	8,530	7,568	8,530	7,568
Trade creditors	29,830	9,452	29,830	9,450
Social security and other taxes	-	8,000	-	-
Other creditors	628	-	540	-
Accruals and deferred income	12,381	59,649	12,048	18,750
	<u>51,369</u>	<u>84,669</u>	<u>50,948</u>	<u>35,768</u>

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16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	GROUP		COMPANY	
	2012	2011	2012	2011
	£	£	£	£
Bank loans	<u>58,272</u>	<u>67,256</u>	<u>58,272</u>	<u>67,256</u>

The above bank loan is secured on the freehold property of the Moorland retreat and equates to 7% of the net book value of the property.

Included in creditors are the following amounts due after more than five years:

	GROUP		COMPANY	
	2012	2011	2012	2011
	£	£	£	£
After more than five years repayable by instalments	<u>18,564</u>	<u>26,586</u>	<u>18,564</u>	<u>26,586</u>

17. STATEMENT OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Carried forward £
UNRESTRICTED FUNDS					
Designated Funds					
Property fund	<u>377,039</u>	-	-	<u>10,478</u>	<u>387,517</u>
	<u>377,039</u>	-	-	<u>10,478</u>	<u>387,517</u>
General Funds					
General funds	<u>353,434</u>	<u>757,253</u>	<u>(796,179)</u>	<u>3,477</u>	<u>317,985</u>
Total unrestricted funds	<u>730,473</u>	<u>757,253</u>	<u>(796,179)</u>	<u>13,955</u>	<u>705,502</u>
Restricted Funds					
Capital funds					
Holiday and office equipment	5,756	-	(1,439)	-	4,317
Appeal for Coastal Retreat	354,611	-	(8,476)	-	346,135
Appeal for Moorland Retreat	508,841	-	(11,515)	-	497,326
Barn development	50,693	-	(1,256)	-	49,437
Premises and equipment costs	13,675	-	(3,419)	-	10,256
Sports barn development	54,121	3,822	(869)	-	57,074
Solar panels	12,994	-	(261)	-	12,733
Revenue funds					
Christmas present fund	-	8,500	(4,714)	(3,786)	-
Christmas camps	-	27,185	(23,871)	(3,254)	60
Wooden Spoon development	-	1,678	(1,678)	-	-
Miscellaneous	-	750	(820)	70	-
Raffle prizes	478	200	-	-	678
Youth apprenticeship training	21,525	32,000	(29,639)	(6,985)	16,901
Staff costs fund	6,398	33,727	(25,139)	-	14,986
Provision of respite breaks	31,873	265,026	(254,733)	-	42,166
Gardening	50	-	(50)	-	-
Total Restricted Funds	<u>1,061,015</u>	<u>372,888</u>	<u>(367,879)</u>	<u>(13,955)</u>	<u>1,052,069</u>
Total of funds	<u>1,791,488</u>	<u>1,130,141</u>	<u>(1,164,058)</u>	<u>-</u>	<u>1,757,571</u>

**COUNTRY HOLIDAYS FOR INNNER CITY KIDS
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17. STATEMENT OF FUNDS (Continued)

Property Fund

The property fund represents the net book value of unrestricted fixed assets held by the charity.

Holiday and office equipment

This fund was set up to purchase equipment for use within the charity.

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 development of a play barn at Moorland Retreat.

Premises and equipment costs

This fund is used to new equipment such as minibuses.

Sports Barn development

This fund was set up to fund a sports barn at Moorland Retreat.

Solar Panels

This fund was set up to fund the solar panels at Moorland Retreat.

Christmas present fund

This fund was set up to purchase Christmas presents for children.

Christmas camp fund

This fund is restricted to respite break costs over the Christmas period.

Raffle prizes

This fund is used to purchase prizes for raffles held.

Youth apprenticeship training

This fund was set up to support costs for the youth apprentice scheme.

Staff Costs Fund

This fund supports the costs of supervisors on the respite breaks.

Provision of respite breaks

This fund is restricted to the respite break costs.

Gardening

This fund is for the improvement of the gardens at both Coastal and Moorland Retreats.

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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted Funds 2012 £	Unrestricted Funds 2012 £	Total Funds 2012 £	Total Funds 2011 £
Tangible fixed assets	977,278	441,393	1,418,671	1,466,719
Current assets	74,791	373,750	448,541	476,694
Creditors due within one year	-	(51,369)	(51,369)	(84,669)
Creditors due in more than one year	-	(58,272)	(58,272)	(67,256)
	<u>1,052,069</u>	<u>705,502</u>	<u>1,757,571</u>	<u>1,791,488</u>

19. DEFICIT FOR FINANCIAL YEAR

The charity has taken advantage of S408 of the Companies Act 2006 and has not included its own statement of financial activities in these financial statements. The charity's deficit for the financial year is £33,917 (2011:178,742).

20. OPERATING LEASE COMMITMENTS

At 31 December 2012 the Group had an annual commitment under non-cancellable operating leases as follows:

	2012 £	2011 £
GROUP		
EXPIRY DATE:		
Within 1 year	6,764	2,340
Between 2 and 5 years	9,094	18,982
After more than 5 years	<u>-</u>	<u>1,238</u>

21. CONTROLLING PARTY

The company was controlled by the board of trustees.