



National Day Nurseries Association

National Day Nurseries Association

(A charitable company limited by guarantee)

Financial Statements for the year ended 31 March 2025

Company registration No. 03738616

Registered charity No. 1078275 (England & Wales)

SCO40610 (Scotland)

| <u>Contents</u> | <u>Page</u> |
|--|--------------------|
| Report of the trustees (including directors' report) | 3 |
| Report of the independent auditors | 19 |
| Charity Statement of Financial Activities | 23 |
| Charity Balance Sheet | 24 |
| Charity Statement of Cash Flows | 25 |
| Notes to the accounts | 26 |

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

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| Name | National Day Nurseries Association (NDNA) |
| Company number | 03738616 |
| Charity number | 1078275 (England and Wales) / SCO40610 (Scotland) |
| Registered office | National Early Years Enterprise Centre, Longbow Close, Huddersfield, HD2 1GQ |
| Scotland office | Edward House, 199 Sauchiehall Street, Glasgow, G2 3EX |
| Wales office | 3 Connaught House, Riverside Business Park, Benarth Road, Conwy, LL32 8UB |
| Website | www.ndna.org.uk |
| Auditor | BHP LLP, New Chartford House, Centurion Way, Cleckheaton, BD19 3QB |
| Bankers | NatWest Bank, Commercial Banking, 2 nd Floor, 8 Market Place, Huddersfield, HD1 2AN |
| Solicitors | Lupton Fawcett, Yorkshire House, East Parade, Leeds, LS1 5BD |

Board of trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are referred to as the trustees. The trustees report includes requirements of the Directors' report as required by company law. The trustees who served during the year were as follows:

| | |
|----------------------------------|--|
| Sarah Steel (Chair) | (resigned 29 January 2025) |
| Jane Haywood (Chair) | (Chair from 29 January 2025; Vice Chair until 29 January 2025) |
| Courteney Donaldson (Vice Chair) | (Vice Chair from 29 January 2025) |
| Hazel Moody | |
| David Smyllie | (resigned 21 May 2025) |
| Dave Poulson (Treasurer) | |
| Philip Siddell | |
| Lesley Dawson | |
| Susan Hill | |
| Nikola Masters | |

| | |
|------------------------|--|
| Chief Executive | Purnima Tanuku (until 30 March 2025) Tim McLachlan (from 20 January 2025) |
|------------------------|--|

| | |
|--------------------------|--|
| Company Secretary | Purnima Tanuku (until 31 March 2025) Tim McLachlan (from 31 March 2025) |
|--------------------------|--|

| | |
|------------------------|-------------------------------------|
| Executive Chair | Purnima Tanuku (from 31 March 2025) |
|------------------------|-------------------------------------|

| | |
|-------------------------------|--|
| Senior Management Team | Dr Sara Bonetti (until 13 December 2024) Jonathan Broadbery Cara Brundle Gayle Seekins Alan Wadsworth Stella Ziolkowski |
|-------------------------------|--|

Qualifying third party indemnity provisions

The charity purchased insurance for liabilities incurred by its trustees in carrying out their duties.

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

Structure, Governance and Management

Governing document

National Day Nurseries Association is a company limited by guarantee governed by its Memorandum and Articles of Association dated 20 September 1999 with the latest amendment in 2022. It is registered as a charity with the Charity Commission in England and Wales and with the Office of the Scottish Charity Regulator in Scotland.

Appointment of trustees

The Strategic Board currently comprises 8 trustees including a Chair and Vice Chair. They represent the membership across England, Scotland, and Wales. Three are co-opted from wider sectors to support the work of the Board and add special expertise.

At every Annual General Meeting, one-third of the Board is subject to retirement by rotation. Nominations are invited through advertising in Nursery News and elections held to appoint new trustees. If there are no other nominations and the retiring trustee is willing, they will be reappointed for a further term of office with agreement by the Board.

Trustee induction and training

New trustees undergo an induction to brief them on their legal obligations under charity and company law, the content of the Articles of Association, the decision-making process, the business plan and the recent financial performance of the charity. They meet key employees of the charity and are encouraged to attend external training events as appropriate. A two-day board strategy event and training is held annually.

Organisation

The strategic board administers the charity and meets at least 6 times a year in person or virtually. Three policy advisory boards, made up of providers and early years experts, advise the strategic board on policy issues specific to the 3 nations. The Chief Executive, Tim McLachlan, is appointed by the strategic board to manage the day-to-day operation of the charity. The Chief Executive has delegated authority for dealing with matters such as finance and employment.

Risk management

There is a robust risk assessment and management process established. This includes:

- Reviewing and monitoring both the strategic and operational risks the charity may face.
- Establishment of systems and procedures to measure and control risks identified.
- Implementation of control measures to minimise any potential impact on the charity if risks materialise.

A 'traffic-light' risk reporting system is in use linking the organisation's performance monitoring framework and financial performance.

The principal risk and uncertainty facing the charity is a volatile economic climate affecting both the sector and NDNA. High inflation impacts business costs and household expenditure and may impact demand for providers. At the same time, public spending cuts result in funded childcare places coming under pressure and a reduction in income from central government and local authority contracts, along with increased competition for all services and contracts. Our strategy for managing this risk has enabled us to achieve a balanced portfolio of income streams by focusing on developing a wider customer base in the UK and beyond and building a portfolio to suit their needs.

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

Objectives and activities

NDNA's vision and mission

The charity's vision is for all children and families to flourish through high quality early childhood education and care.

The charity's mission is to lead and empower the sector so that nurseries and the early years workforce deliver sustainable, high quality early childhood education and care.

NDNA's aims and objectives for the year

The strategic aims NDNA set out for 2024/25 were:

- **Promote and defend** the value of early education and the providers & practitioners who deliver it.
- Represent members, as the strongest and **voice of the early years sector** across the UK.
- **Influence policy** development and delivery by lobbying governments in England, Scotland & Wales.
- Provide access to the **support, products, and services** the sector needs to continually improve quality and practice, in the best interests of children.
- **Manage a strong and sustainable charity**, futureproofing NDNA so we can continue to support our Vision, Mission, and Goals.

Promote and defend ... – NDNA's #Firstfiveyearscount campaign continued to celebrate the early years sector and all they do to make the first five years of a child's life count. A new campaign video demonstrated the difference a good nursery can make to the lives of children and families, running across all NDNA channels, with a reach of 223k people. Whilst continuing to increase understanding of the importance of the early childhood education, improve the perception of the early years workforce as educators of children aged 0-5 and address the recruitment and retention crisis, NDNA also highlighted the growing problem of underfunding, the financial pressures facing nurseries and the likely impact of this on children and families. Campaign activity included NDNA's 'week of action' in February 2025 and a renewed focus on underfunding, as nurseries faced increased financial pressure from mounting costs and increased NICs from April 2025.

... voice of the early years sector ... – As the voice of the 23,200 strong nursery sector, NDNA is an integral part of the lives of more than a million young children and their families. The charity provides information, training and advice, which supports nurseries - and the 390,000 people who work in them - to deliver world-class early learning and childcare. Working closely with local and national governments in England, Scotland, and Wales, we deliver a comprehensive programme of policy work. Conducting our own research, we campaign on the cost, choice, and quality of childcare to benefit children, their families, nurseries, and the economy.

Influence policy ... the General Election in July 2024 presented an opportunity to shape the future direction of childcare policy, especially in England. Under the new Labour Government there were several policy changes which NDNA had been lobbying for including: a shift in focus to early education including a newly appointed Minister for Early Education, a removal of the word 'free' from the Government's description of funded childcare and a review of Ofsted's role and single word judgement. NDNA lobbying also saw the Department for Education commit to increasing funding in line with statutory wage increases, average wage growth and inflation. In Wales, funding rates had been stagnant for three years. Work with the Welsh Government saw an hourly rate increase proposed which was further increased as the Welsh Liberal Democrats secured a Budget deal. In Scotland NDNA celebrated 20 years of supporting the sector with our first ever Children's Rights Award, presented by Minister Don-Innes at a special celebratory event.

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

... support, products and services ... – In line with our vision and mission, NDNA provide a wide range of support services to members which includes accredited and non-accredited training programmes through a variety of modes e.g. face-to-face and online via the NDNA Early Years Development Zone, live virtual classroom, and webinars; events and conferences; publications; Quality Counts and Millie's Mark accreditation, Physical Activity and Nutrition Coordinators (PANCos) accredited qualification and a range of Champions programmes supporting children's mathematical, language and communication and SEND development and in addition a range of resources to support improved practice via myNDNA. Support services are developed using research-based evidence to support the early years workforce with ongoing professional development enabling them to continually reflect on their practice. Research evidence tells us that ongoing development and support helps practitioners to improve the quality of their practice, which in turn improves children's developmental experiences. NDNA also invested in the development of the Institute of Early Years Education. This offer provides a wealth of CPD opportunities, a reflective tool to enable practitioners to self-evaluate the impact of CPD and a place to store achievements. As part of our support services, we also provide information and support to child-carers and parents via our website and myNDNA. This is also accessible to practitioners to enable them to work with parents to extend learning from the setting into the home.

"I liked how much detailed got put into it as it definitely gave me a better understanding"
- Scotland: Introduction to Child Protection (Early Years Development Zone)

Manage a strong & sustainable charity ... – Effective delivery of the charity's mission is only possible if we are financially sustainable to support the sector. We manage our resources carefully and everyone plays an active part in the business planning process. The strategic challenges facing NDNA are discussed at Board level and all staff are involved in developing the business plan. Ultimate responsibility for decision-making rests with the Board, supported by the Chief Executive and Senior Management Team.

The charity has a wholly owned dormant subsidiary, NDNA Services Limited.

NDNA does not fundraise from the public.

Shaping the future of early education and care

A General Election in 2024 presented an opportunity to shape political parties' pledges on the future direction of childcare policy. NDNA had laid the groundwork with a Blueprint for Early Education and Care developed with academics, sector experts, providers and parent groups. The organisation turned these principles into direct policy asks in a Manifesto for Early Education and Care. At the same time, the Government's promised expansion began in two phases. From April 2024, all working parents of 2-year-olds were able to access 15 hours per week. From September 2024, all working parents of children aged 9 months were added to this, accessing 15 hours per week for the first time. The main political parties pledged to maintain this commitment.

Under the new Labour Government there were several policy changes which NDNA had been lobbying for including: a shift in focus to early education including a newly appointed Minister for Early Education, a removal of the word 'free' from the Government's description of funded childcare and a review of Ofsted's role and single word judgement. NDNA lobbying also saw the Department for Education commit to increasing funding in line with statutory wage increases, average wage growth and inflation. However, wider Government policy will cause significant challenges for the sector as changes to employer's National Insurance Contributions and above inflation increases to National Living and Minimum Wages expected to increase staffing costs by around £2,600 per employee. None of which have been factored into spending decisions by governments in England, Scotland or Wales.

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

The Scottish Government's Budget in December 2024 committed to continuing to expand the funded offer to two-year-olds, starting with those on the lowest income. It also continued to fund work in six areas to pilot childcare systems from nine months to the end of primary school. The Minister for Children, Young People and the Promise, Natalie Don-Innes, presented NDNA Scotland's inaugural Children's Rights Award at a celebration event for NDNA's 20th Anniversary of working in Scotland. At the same time NDNA Scotland supported the work of our networks in Edinburgh and Falkirk to challenge local authority decision which undermined the principles of parental choice and provider neutrality in the delivery of 1140 hours of funded ELC.

The Welsh Government entered into the final phase of the expansion of funded childcare to all two-year-olds through the Flying Start programme in 2024/25. This was supported by an announcement that the relief for nurseries from Business Rates would be made permanent. Evidence from NDNA Cymru members was part of the Welsh Government's business case for making this decision. Following three years of stagnant funding rates for the Childcare Offer and early education hours, the draft Budget in December proposed a 20% increase in funding from £5.00 per hour to £6.00. Evidence from NDNA Cymru showed this would still not cover costs for the majority of providers and following a Budget deal with the Welsh Liberal Democrats, this rate was increased to £6.40 per hour – a 28% increase.

To ensure the pressures on providers were well understood against a backdrop of expected expansion of offers to families, rising demand and ongoing increases to operating costs, NDNA conducted a series of research with providers about costs, staffing challenges and sustainability. These showed that, 92% of providers in England, and 89% of those in Wales said that the funding they receive for three and four-year-old funded places do not cover their costs. As a result, a worrying 82% of respondents from Wales and 76% of respondents from England said they were operating at a loss or just breaking even.

With ongoing workforce pressures facing providers NDNA also conducted research on readiness for the expansion in England. We found that 70% of nurseries did not have the staffing they need to operate at maximum capacity and that the average nursery was carrying 4.2 FTE vacancies. If these shortages were addressed the average nursery could offer 13 additional places with the DfE estimating that 70,000 additional places would need to be created by September 2025. The greatest staff shortages were identified as being among the Level 3 qualified staff.

Other NDNA research that, in the financial year 2022-23, £65 million of early years budgets remained unspent at the end of the financial year. The main use of these unspent funds was to off-set deficits in other parts of the schools budget, especially the High Needs Block. This has been an issue ever since the funded childcare policy was expanded and shows the need to tackle overspends on SEND and for reform of the childcare funding system.

Across the year NDNA supported our members to engage with consultations and responded on their behalf to three consultations in Scotland, three consultations in Wales and six consultations in England. These ranged from changes to joint inspections in Scotland, a new evidence-based route to counting in ratios in England, funding rate calculations in Wales and changes to the way Ofsted inspects settings. We also presented evidence to the Low Pay Commission, the Public Accounts Committee and the Scottish COVID-19 Inquiry.

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

Achievements and performance

The ethos behind NDNA's charitable vision and mission is to support excellence in the early years workforce, whilst driving quality and sustainability in early years enterprise. To achieve this, our approach is to ensure that the child is at the centre of all that we do to support business and workforce improvement.

High quality, evidence-based practice underpins all NDNA services and activities that NDNA provides. Our Quality Statement clearly defines what represents quality in early years settings. We support our members and the wider early years community to focus on delivering the highest quality provision for children, whilst remaining sustainable as businesses, charities or not for profit enterprises.

We passionately believe that children should be at the heart of all policy making and that quality can only be achieved when nurseries are sustainable businesses, with dedicated leadership and management. Leadership provides a vision for the nursery and supports practitioners to be reflective individuals with a commitment to continuous professional improvement. In turn, this helps to ensure that every child in the nursery community gets the best start in life. This includes children from all backgrounds and abilities where early assessment of their needs, capabilities and interests helps to secure any additional help they may need.

NDNA's Impact on the Workforce

The sector continues to experience financial constraints due to increased costs, specifically salary costs due to several reasons, including the soaring increase in NMW/NLW and NI contributions. Staff turnover and an inability to recruit to vacancies continues to compound with the sector seeing turnover rates of approximately 20% in many instances. This, therefore, decreases the ability to release staff for training, other than mandatory training which they are required to do by law. Due to these factors, access to quality, affordable, flexible relevant short courses continue to be more important than ever to ensure that staff have the skills required to educate and care for our youngest children.

An abundance of research tells us that high quality childcare, delivered by highly qualified practitioners, is essential for the development of children in their earliest years. However, we continue to hear from our member nurseries that they are struggling to recruit and retain staff qualified at the levels they need and want.

Research confirms that the first five years shape each child's future health, happiness, growth, development and learning achievements, so the continued professional development of practitioners is essential to ensure children get the best start in life. To break down barriers to accessing development, we continue to review our offer providing a range of delivery modes to ensure our offer is accessible to practitioners in the way that best suits their individual needs. NDNA's analysis of sector intelligence, surveys and a two-way dialogue with our members allow us to review and update our range of products and services and to ensure that training remains up to date with best practice, research, and sector need.

Training and development

This year NDNA has developed and refreshed 83 evidence-based training and professional development products to retain their relevance with legislation and best practice that support high quality early years practice. The development of new resources are determined through understanding the needs of members and practitioners. We have supported 46,586 practitioners with training and professional development, with an overall satisfaction rate of 98%.

***'One of the best training sessions I have attended in over 40 years -
Extremely informative whilst keeping subject matter interesting and practical'
- Observation, assessment and planning (F2F) - Bowers Community Nursery***

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

NDNA continue to support practitioners with the nutrition, health and wellbeing of children through our accredited training of the level 4 PANCo (Physical Activity and Nutrition Coordinator) programme. This accredited award is for individuals within nursery settings who champion physical activity and nutrition within their setting. To the end of March 2025, 82 practitioners purchased the award, and an additional 3 settings were enrolled onto the Start Life Well quality mark.

"This course has already had an impact on the health and wellbeing of the children within the setting as how as a team we support this. I am looking forward to continuing this. Thank you."

Due to financial constraints that the sector is facing, NDNA have also supported the workforce with 38 free training courses covering a range of topics. A total of 9,417 practitioners accessed our free training.

Alongside our support programmes, NDNA continue to provide the sector with up-to-date publications, policies and procedures and online resources, such as factsheets, in line with changes to policy, legislation and evidence based best practice. A total of 5,118 publications and around 16,000 factsheets were accessed by the sector.

Millie's Mark and Quality Counts

Quality improvement is the role of the setting as a whole, including all practitioners within the nursery. We believe passionately in supporting our members to be able to reflect on what they do.

The safety and security of children is paramount and a focus for NDNA delivering Millie's Mark. This year 175 settings took up the Mark and 151 nurseries successfully achieved the standard, demonstrating they go above and beyond their regulatory duty. In total there are now 544 settings signed up to the Mark in England, 9 in Wales and 17 in Scotland, with 1309 settings being awarded the Mark since it was launched.

'It's a great process to go through. Even though as a Nursery we already got all of staff to complete First aid within 3 months, the process of Millie's Mark makes you evaluate the process and look for better ways to improve your practice' - New Beginnings Day Nursery - Romford & Rainham

During the 2024-25 financial year 24 nurseries have signed up to Quality Counts certification. Over the year, NDNA have awarded 14 settings with our flagship quality improvement scheme. This includes a Quality Counts Platinum award achieved by Kensington International Kindergarten, Bangkok.

'This is our second time to adopt this process and we love it.' - Funky Footsteps Day Nursery Ltd

Champions programmes

NDNA's Maths Champions programme builds the knowledge of nursery practitioners to support children's early mathematical development. In July 2024 a report was updated following subsequent analysis using the Early Years Foundation Stage profile assessment data to assess the potential impact of Maths Champions on children's attainment. This exploratory analysis found that children in nurseries that allocated to the MC programme from the previous study continued to make progress compared to children who attended control nursery settings. The updated report from this analysis was released this year <https://ndna.org.uk/early-years-maths-support-ndna-maths-champions-research-trial/>

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

NDNA were absolutely delighted that the further long-term analysis of Maths Champions following the study demonstrated that children who took part in the study sustained progress. Key findings demonstrating that:

1. Children in nurseries allocated to the intervention group made, on average, the equivalent of two months' additional progress in mathematics attainment compared to children in control nurseries as measured by the EYFSP.
2. Children in nurseries allocated to the intervention group made, on average, the equivalent of two months' additional progress in literacy attainment compared to children in control nurseries as measured by the EYFSP.
3. Children in nurseries allocated to the intervention group were slightly more likely to attain a Good Level of Development (GLD) compared to children in control nurseries as measured by the EYFSP (equating to approximately one month's additional progress).
4. Children eligible for Early Years Pupil Premium (EYPP) in the intervention nurseries made, on average, the equivalent of six months' additional progress in mathematics attainment compared to children eligible for EYPP in control nurseries. These results, while promising, should be treated with more caution than the analysis on all pupils as fewer children were included in this analysis.

Evaluation of the Programme demonstrated that 100% of Maths Champions say their confidence increased in supporting children's mathematical development.

As a result of the successful impact of Maths Champions NDNA secured additional funding from the EEF via the DfE to provide an additional 800 places to nursery settings to participate in the Maths Champions programme. Again, this funding is solely accessible to nursery settings across England, focusing on the governments Educational Investment Areas. This work will continue into 26/27.

'The Maths Champions programme has completely transformed our nursery's approach to early maths education. What was once seen as a challenge has become an exciting and natural part of our daily practice. Staff feel more confident, children engage with maths in meaningful ways, and the learning environment is now rich with mathematical opportunities. From everyday routines to hands-on exploration, maths is truly embedded in everything we do—empowering both educators and young learners alike.'

NDNA also secured EEF Early Programme Development fund to trial the Maths Champions programme with Childminders. NDNA were nominated by the East of England Stronger practice hub for this trial due to the lack of CPD in mathematical development for Childminders. Delivery took place between September 24 and March 25, however final evaluation and reporting was delivered in May 25.

NDNA continue to support settings within the 18 most deprived boroughs of London supported by the Mercers' Company as trustee of the Charity of Sir Richard Whittington. This additional funding allows NDNA to support an additional 150 nurseries to participate within the Maths Champions programme and 50 settings to participate in our Communications and Language Champions programme.

'The children are confident communicators, can communicate their likes/dislikes, they learn new vocabulary and are able to express their emotions positively by using words.'

This year NDNA have secured support for the delivery of a SEND Music programme and our Championing SEND programme.

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

Support provided via the Foyle Foundation and Eastern Counties Educational Trust to produce the resources and trial the delivery of SEND Music programme in 15 childcare settings. NDNA teamed up with a Music Therapist specialising in SEND to support the development and delivery. This work continues into the next financial year, completing analysis and reporting in October 2025, however, feedback so far has been extremely impactful.

'Through participation in regular music sessions and as part of our everyday practice, children's increase in self-esteem was evident, and it gave children a sense of achievement. For SEND learners, this was transformative in helping them feel valued and included, with a great sense of participation.'

A grant provided by Peter Harrison Foundation has enabled us to provide 46 Championing SEND programmes to over a two-year period to nursery settings ranked 1 or 2 on the Index of Multiple Deprivation in the South East of England.

myNDNA

Our weekly myNDNA email went out to 29,250 practitioners by the end of March 2025 with a free activity, tip and factsheet, and access a wealth of other practical, free resources to inspire them on the myNDNA resources page.

Institute of Early Years Education

A plethora of research tells us that practitioners who are well qualified and constantly strive to improve their knowledge and understanding of best practice, offer higher quality experiences for children which in turn has a positive impact on their attainment and future lifelong chances. It is because of this that NDNA continues to develop training and support services for practitioners. This year we launched the Institute which provides a wide range of professional and personal support to practitioners with their own ongoing professional development. The institute was introduced as the main community and source of CPD for practitioners with the opportunity to reflect on their own personal achievement and the impact CPD has on their practice and the children they educate and care for.

Free Member Events, Resources, and Webinars

Over 1,000 people attended NDNATalk online and face-to-face events throughout the year, enjoying inspirational 'Afternoon With ...' sessions, a range of online member events and webinars across all three nations, face to face policy consultations and NDNA's annual conference, which featured sector focussed sessions and inspirational speakers within separate leadership and practice streams.

Childcare Works

In Wales, NDNA Cymru successfully secured ongoing funding for the project to run in different areas in 2024/25. This included Rhondda Cynon Taf thanks to support from Moondance Foundation and through the UK Shared Prosperity Fund in Conwy and Pembrokeshire. NDNA also secured new funding from the Armed Forces Covenant Fund Trust to work with families of military personnel and reservists around military bases in England and Wales. Under the project, NDNA supports participants (who are not in employment, education or training) with a three to four-week training programme, followed by 12-week placements as Trainee Nursery Assistants, in settings.

'Looking back, joining the NDNA Childcare Works Project has been one of the most rewarding decisions I have ever made. The support I received throughout the process gave me the confidence to step into a completely new field after my military career...I am excited to continue this journey in childcare, where I can make a positive impact on young lives while growing both personally and professionally.'

NDNA has also been successful in securing funding, granted by the Local Employability Partnership, for Childcare Works to run in East Ayrshire, making it the first childcare works project in Scotland. This commenced in March 2024 with a second cohort starting in January 2025.

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

International

Overseas nurseries that are looking to implement and follow the EYFS recognise the value that NDNA can offer and we have international members from 17 different countries. We continue to provide services to members overseas and continue to engage with international stakeholders, for the benefit of children and families.

From overseas customers, we continue to see particular interest in our Quality Counts programme. In January 2025 we agreed a memorandum of understanding with ONESCA in Thailand as the basis of further collaboration in relation to quality assurance standards, procedures and protocols, to ensure an effective and efficient accreditation process for ongoing school improvement of international schools in the Kingdom of Thailand.

Within this financial year, 8 international settings have signed up to pursue the Quality Counts certification mark and 3 settings (in Thailand, UAE and Oman) have been awarded the standard, two at the highest level, platinum.

Membership and Retention

A strong membership base is critical to NDNA's mandate as the voice of the sector. The strength of our membership informs our work and our priorities, which are driven by the evidence we gather from our members.

NDNA's members are highly engaged and, despite the challenging environment and growing concern over closures and financial pressures, NDNA's membership has grown by 4% throughout the year. Retention of members remains high and this indicates that members are getting value from their membership, see a return on this investment and are willing to renew, even in the toughest of times.

NDNA draws on the experience of our members and our own research, as well as analysis of the early years and childcare sector, to ensure we are the voice of our sector. We work across key stakeholders and decision makers in England, Scotland and Wales to advocate for policy approaches that support the charity's objectives and our members' needs.

Member Engagement

NDNA networks provide nursery owners and managers with the opportunity to meet and form a united voice at a local level. These networks, led by volunteer Network Officers, provide regular opportunities to share information, ideas and concerns whilst improving NDNA's reach and the breadth and depth of our insight.

At the end of March 2025, NDNA had 44 active networks across the UK. We continue to hold regular network chair meetings, which have been consistently lively and well attended. NDNA's networks provide the insight that NDNA needs to better understand and represent the sector. We would like to thank all our networks for their continued engagement with NDNA in highlighting local issues and challenges.

NDNA's members are highly engaged and in 2024-25, 95% of members overall purchased or downloaded a product from the NDNA website. Member events were delivered across each of the three nations, using a combination of remote and online delivery to enable nurseries and their workforce to benefit from updates on policy and practice, as well as professional development and networking. We worked with our corporate sponsors to deliver up to date information on topics such as health and safety and employment law.

In addition to NDNA's usual member event schedule, free, virtual 'afternoon with' events with inspirational speakers such as Kerry Murphy and Sam Wass enabled members to explore topics such as neurodiversity in early years, early brain development and how concentration, stress and learning capacities develop during early childhood.

'I will be putting more strategies into place for emotional regulation'

'OMG I am blown away by this! Thank you so so much'

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

Policy Engagement and Campaigns

In England, Scotland and Wales, NDNA has met with Government Ministers, key stakeholders and working groups to provide the latest research, sector views and experiences, particularly in relation to workforce challenges, demand and rising cost pressures. NDNA has used member views and feedback to lobby and shape changes to guidance and secure extra support for the sector. This has included:

- Funding – lobbying for:
 - A 4.1% increase in funding rates for childcare in England
 - A £75 million fund to support the expansion of nurseries in England
 - A 45% increase in the Early Years Pupil Premium for children in England
 - Confirmation that nurseries across the UK will get £10,500 support through the Employment Allowance
 - Additional funding to increase funding rates by at least 3.75% in Scotland
 - Permanent relief for nurseries from Business Rates in Scotland and Wales
 - A 28% increase in funding rates for funded childcare in Wales
- Reduced membership fee for members in Wales.

To support our members and influence public debate on issues affecting early years, we engage with traditional and social media to reach as wide an audience as possible, achieving 195 pieces of national (including broadcast) media coverage for our work and 156 pieces in the trade press covering early years and education.

NDNA Cymru

NDNA Cymru remains part of the CWLWM Partnership and representation continues to be key to our work. We are a member of key strategic groups alongside other representative organisations, Welsh Government, Aware, Social Care Wales, Care Inspectorate Wales and Estyn.

Details of the multiple projects and activities in Wales can be found in subsequent sections.

NDNA Scotland

NDNA Scotland continues to represent members at key stakeholder meetings and supporting the childcare sector working group on early learning and childcare. In addition, NDNA Scotland is a member of the Education Reform Review Group, Care Inspectorate Safe Staffing Project and the SSSC Codes of Practice Review Group. To support this work, we have been successful in securing continued Sector Representation funding from the Scottish Government.

We have retained the Scottish Government's Children, Young People and Families Early Intervention Fund (CYPFEIF) and Adult Learning and Empowering Communities Fund (ALEC) funding for ten years and received positive feedback from the Corra Foundation on the reporting of the achievement of Fund outcomes. NDNA Scotland have consistently met all the requirements for the funding.

NDNA Scotland has a commitment to promoting the rights of the child as the Scottish Government has implemented legislation to incorporate the UN Convention on the Rights of the Child into Scots law from July 2024. NDNA Scotland has conducted our own Child Rights and Wellbeing Impact Assessment for our own work as well as supporting members to conduct their own.

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

Projects and Contracts

This year, we have continued to work with a range of companies to bring ideas, activities, campaigns and resources to children and parents via our membership base. NDNA's popular 'Healthy Body, Happy Me' campaign, ran from 24th to 28th March 2025, and was sponsored by Hope and themed around 'Busy Bodies', highlighting that physical activity is not simply about burning energy, it is the foundation for learning, growth and long-term health. Our daily guides provided ideas for learning and development, including at least one physical activity, plus activities for home learning to encourage families to extend healthy habits to home life.

NDNA works closely with a range of funding partners to deliver quality products and services to a wider range of communities and stakeholders. Working in partnership, NDNA has supported the sector to thrive by developing the workforce and early years settings, contributing to the well-being and positive outcomes of young children and their families in communities where nurseries are least able to fund additional training.

In 2024-25, this included the funded delivery of NDNA's Childcare Works employment programme in Conwy, Pembrokeshire and East Ayrshire, a SEND music project in the Eastern Counties and funding to develop a learning disabilities module to complement SEND champion training.

Thanks to funding from Vitamin Angels UK, NDNA is able to purchase healthy, supplemental food packages on every week for 18 nurseries serving children who are at nutritional risk in areas of high deprivation.

Sustainability

NDNA's own long-term sustainability is essential if we are to continue delivering our charitable mission and maximise the impact of our activities.

Financial review

2024/25 has seen us invest heavily into new developments, in line with our charitable purpose. This resulted in an overall deficit of £434,115, after investment through our development budget. Our unrestricted reserves now stand at £1,058,909.

During the year, we spent £509,477 out of designated funds to support IT infrastructure and developed services to our members through the Institute and other services.

A further £90,141 has been put into the designated IT fund to invest in additional IT support, plus a further £270,322 into the designated development fund to support our members.

Investment policy

The trustees recognise the need to retain sufficient liquid assets to meet the charity's short-term obligations. Funds in excess of current requirements are invested in low-risk cash deposits or interest-bearing accounts.

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

Plans for the future

In England, NDNA will continue to gather evidence from our members about preparations for the final stage of expansion of funded childcare to 30 hours for all children in working families from nine months to starting school. We will continue to campaign for increased funding for the early years sector in line with our charitable objectives of supporting all children through access to high quality early education and care. We will also work to ensure children are equally supported, wherever they access their funded places. To ensure a strong voice across Parliament, NDNA will continue its work meeting and briefing MPs and within the All-Party Parliamentary Group for Early Education and Childcare.

In Scotland, the Programme for Government sets out plans to expand the offer to more two-year-olds and pilot programmes of childcare from nine months-old through to the end of primary school. NDNA Scotland will continue to support Scottish Government plans to make ELC affordable, accessible and high quality. We will examine how local authorities distribute funding identified by the Scottish Government to increase sustainable rates.

NDNA Scotland will continue to work with providers and other stakeholders to promote best practice and to raise awareness of the UNCRC Incorporation (Scotland) Act which was first implemented in July 2024.

In Wales, the expansion of the funded offer to all two-year-old children in Wales entered its final phase from April 2024. This is being delivered by expanding the Flying Start programme which was historically only delivered in the more deprived areas of the country. It is delivered and funded in different ways by different local authority areas leading to inconsistencies. NDNA Cymru will work with members, CWLWM partners and the Welsh Government to address these and ensure the expertise and experience of the day care sector is recognised in the plans for this expansion.

In both Wales and Scotland, elections are scheduled to take place in May 2026. NDNA will work with partners, key stakeholders and providers in both nations to ensure that policies are promoted which support our charitable objectives around access to high-quality early education and care for young children. We will develop manifestos in each country, analyse the policies being promoted by all parties and support members to engage with local candidates.

Public benefit

We constantly refer to the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

Evidence shows that investing in early years makes a difference to children's long-term outcomes. To achieve our vision and mission, our support and representation work aims to have a real influence as we help to shape the early years policy agenda for the benefit of children and their families across England, Scotland and Wales. The impact of this is to develop an environment that enables the nursery sector to deliver the high quality education and care, to make a difference to the outcomes for children, whilst also being sustainable businesses.

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

The practical support and representation that we provide to nurseries help them continually improve their early learning and childcare practice and to be sustainable businesses, which are central to the fulfilment of our mission and vision. The difference we aim to achieve on behalf of children and families include:

- Better informed policy development that ensures public spend on early years achieves maximum impact and delivers positive outcomes for children.
- Affordable and accessible early education and care for all sections of the community through supporting sustainable childcare including in areas of disadvantage.
- Enhanced skills in the early years workforce to be better equipped to provide the high quality of care and early learning that children deserve.
- Enhanced inclusion in early years through promotion of good practice.
- Support for nursery providers in all areas to promote better outcomes for children and families.
- Sector sustainability, enterprise and, as a result, the safeguarding and creation of jobs in the early education and care sector, whilst enabling parents to work and train.
- Partnership programmes for economically inactive individuals to give them a solid basis to move into employment.
- Parents equipped with an increased understanding of quality in early education and care so they can make informed choices and get the most out of their children's time in nursery.

Support from our volunteers

The board of trustees gives considerable support to the organisation on a voluntary basis, and we very much appreciate this. Members have also acted in various voluntary roles for NDNA through advising as members of our England, Scotland and Wales policy advisory boards and representing the sector at both national and local levels. Local NDNA networks operate across the country thanks to the time and commitment given by voluntary network officers. There is extensive volunteer activity across all three nations and the trustees would like to record their appreciation and thanks for this contribution, which is of great value to the charity.

Pay policy for senior staff

The Strategic Board set the vision and mission for the organisation, working closely with the Senior Management Team. The Chief Executive, with support from the Senior Management Team, delivers the objectives in line with the vision, mission, and business plan.

All trustees give their time freely and no Trustee received remuneration in the year. Details of trustees expenses and related party transactions are disclosed in notes 7 and 16 (respectively) to the accounts.

The pay of the senior staff is reviewed annually and normally increased in accordance with average earnings. In view of the nature of the charity, pay levels are benchmarked against pay levels in other charities of a similar size.

If recruitment has proven difficult in the recent past, a market addition is also paid with the pay maximum no greater than the highest benchmarked salary for a comparable role.

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

Reserves policy

Trustees are under a general legal duty to apply charity funds within a reasonable time of receiving them and to justify the level of reserves held.

The reserves policy is informed by:

- how secure the organisation's future income streams are.
- analysis of any future needs, opportunities, contingencies or risks, the effects of which are not likely to be met out of income.
- the long-term development and infrastructure, building strategy for the organisation.

The policy is re-examined each year as part of the formal process of reviewing the long-term strategy linked to the annual business planning process.

At the end of the year, the charity is holding total funds of £2,062,035. This includes restricted funds of £263,127, an endowment fund of £740,000 and unrestricted designated funds of £176,089.

Unrestricted reserves excluding amounts designated have decreased (following investment through designated funds) by £472,822 and are now £882,819.

There is £128,621 included within unrestricted reserves and £740,000 within the endowment fund, which can only be realised by disposing of tangible fixed assets.

Free reserves have decreased by £454,392 and are now £852,070.

Free reserves as of 31 March 2025 represent approximately 5.8 months of operating costs. We need to keep sufficient cash reserves to fund future developments that will contribute to the growth of the organisation, necessary for future sustainability to support the sector.

The board reviews the Reserves Policy annually, and it is considered as a matter of prudence under the current political and economic climate that NDNA should retain at least 8 to 10 months operating costs in reserves to service commitments, respond to changes in risks and fund future developments.

Designated fund policy

The charity has set aside funds for building maintenance, further development of our IT platform and for costs for development of services that will support the early years sector and the global community.

The designated development fund as at 31 March 2024 of £300,616 was spent during the year, and transfers have been made from unrestricted funds so that the balance carried forward as at 31 March 2025 became £118,394. This will be used in 2025/26 for projects to support services to early years practitioners.

The designated IT fund as at 31 March 2024 of £17,728 was spent during the year, and transfers have been made from unrestricted funds so that the balance carried forward as at 31 March 2025 became £54,556. This will be allocated against depreciation of our finance system (which was purchased in January 2019) and our CRM and website (which was launched in March 2022), and also against the upgrade of the Millie's Mark platform in summer 2025.

The remaining designated building fund of £3,139 will be allocated against depreciation of head office refurbishment that has taken place in the last few financial years.

National Day Nurseries Association

Report of the trustees (including directors' report)

For the year ended 31 March 2025

Trustees' responsibilities in relation to the financial statements

The trustees (who are also the directors of National Day Nurseries Association for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company, and of the incoming resources and application of resources, including income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select the most suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company, and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement as to disclosure to our auditors

In so far as the trustees are aware at the time of approving the trustees' annual report:

- there is no relevant audit information (as defined by section 418 of the Companies Act 2006), being information needed by the auditors in connection with preparing their report, of which the auditors are unaware, and
- the trustees, having made enquiries of fellow trustees, have taken all steps that he/she is obliged to take as a trustee in order to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report has been prepared taking advantage of the small companies exemption under the Companies Act 2006.

By order of the Board

Jane Haywood

Signer ID: HD1YGPgi3S...

Jane Haywood

Chair of the Board of Trustees

10 November 2025

Report of the independent auditors to the members and trustees of National Day Nurseries Association For the year ended 31 March 2025

Opinion

We have audited the financial statements of National Day Nurseries Association (the 'Charity') for the year ended 31 March 2025 which comprise of the charity Statement of Financial Activities, charity Balance Sheet, charity Statement of Cash Flows and notes to the accounts, including a summary of significant accounting policies. 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), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of the charity's incoming resources and application of resources, including its results, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland';
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Report of the independent auditors to the members and trustees of National Day Nurseries Association For the year ended 31 March 2025

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except for the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the trustees (which includes the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the trustees (which includes the directors' report) has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the trustees (which includes the directors' report).

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

- adequate and proper accounting records have not been kept by the charitable company or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable company's 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; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the trustees (which includes the directors' report).

Responsibilities of trustees

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. Also for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Report of the independent auditors to the members and trustees of National Day Nurseries Association For the year ended 31 March 2025

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern; disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

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 the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

As part of designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the trustees made subjective judgements such as making assumptions on significant accounting estimates.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our planning procedures included gaining an understanding of the entity and its environment including the entity's legal and regulatory framework, any fraud indicators and internal control system via both discussions amongst the engagement team and with the trustees. We also evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements including the risk of override of controls.

Based on our understanding of the company and its industry, the key laws and regulations we considered included the UK Companies Act, Charities Act (2011) and relevant tax legislation.

Audit procedures performed by the engagement team included but were not limited to:

- Evaluating and testing of the operating effectiveness of management's controls designed to prevent and detect irregularities;
- Discussing with the trustees the policies and procedures in place regarding identifying and complying with laws and regulations, and whether they were aware of any instances of non-compliance;
- Reviewing relevant meeting minutes;
- Identifying and testing journal entries;
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing; and
- Reviewing and testing the accounting estimates to minimise potential bias.

Report of the independent auditors to the members and trustees of National Day Nurseries Association For the year ended 31 March 2025

The primary responsibility for the prevention and detection of irregularities including fraud rests with both those charged with governance and management. There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements the less likely we would become aware of such non-compliance. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, intentional misrepresentations or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

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 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 and trustees 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, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Signer ID: S7I882WVPX...

Lesley Kendrew (Senior Statutory Auditor)
for and on behalf of BHP LLP (Statutory Auditor)
New Chartford House
Centurion Way
Cleckheaton
BD19 3QB

Date: 10/11/2025 GMT

BHP LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

National Day Nurseries Association

Charity Statement of Financial Activities

(incorporating income and expenditure account)

For the year ended 31 March 2025

| | | Unrestricted | Unrestricted | Endowment | Restricted | Total | Total |
|--------------------------------------|-------|--------------|------------------|-----------|------------|-----------|-----------|
| | Notes | Funds | Designated Funds | Fund | Funds | 2025 | 2024 |
| | | £ | £ | £ | £ | £ | £ |
| Income | | | | | | | |
| Donations | 2 | - | - | - | 59,820 | 59,820 | 837 |
| Other trading activities | | | | | | | |
| Facilities hire | | 9,218 | - | - | - | 9,218 | 3,523 |
| Income from investments | | 76,167 | - | - | - | 76,167 | 81,280 |
| | | 85,385 | - | - | 59,820 | 145,205 | 85,640 |
| Income from charitable activities | | | | | | | |
| Membership services | | 749,445 | 6,317 | - | - | 755,762 | 729,568 |
| Sector support services | | 661,599 | - | - | - | 661,599 | 616,971 |
| Projects & contracts | 3 | 4,394 | - | - | 1,457,580 | 1,461,974 | 909,151 |
| Events, publicity and commercial | | 401,696 | - | - | - | 401,696 | 391,085 |
| | | 1,817,134 | 6,317 | - | 1,457,580 | 3,281,031 | 2,646,775 |
| Total income | | 1,902,519 | 6,317 | - | 1,517,400 | 3,426,236 | 2,732,415 |
| Expenditure | | | | | | | |
| Expenditure on raising funds | | | | | | | |
| Facilities hire | | 5,713 | 240 | - | - | 5,953 | 6,309 |
| Expenditure on charitable activities | | | | | | | |
| Membership services | | 595,353 | 389,267 | - | - | 984,620 | 831,913 |
| Sector support services | | 982,543 | 71,767 | - | - | 1,054,310 | 1,053,098 |
| Projects & contracts | | 202,295 | 52,091 | - | 1,341,480 | 1,595,866 | 1,169,270 |
| Events, publicity and commercial | | 240,773 | 2,429 | - | - | 243,202 | 274,444 |
| Other expenditure | | | | | | | |
| Property revaluation | | - | - | (23,600) | - | (23,600) | - |
| Total resources expended | 4 | 2,026,677 | 515,794 | (23,600) | 1,341,480 | 3,860,351 | 3,335,034 |
| Net income/(expenditure) | | (124,158) | (509,477) | 23,600 | 175,920 | (434,115) | (602,619) |
| Transfers between funds | 13 | (348,663) | 360,463 | (11,800) | - | - | - |
| Net movement in funds | | (472,821) | (149,014) | 11,800 | 175,920 | (434,115) | (602,619) |
| Total funds brought forward | 13 | 1,355,641 | 325,103 | 728,200 | 87,206 | 2,496,150 | 3,098,769 |
| Total funds carried forward | 13 | 882,820 | 176,089 | 740,000 | 263,126 | 2,062,035 | 2,496,150 |

The notes on pages 26 to 37 form part of these financial statements

National Day Nurseries Association

Charity Balance Sheet

As at 31 March 2025

| | Notes | 2025 £ | 2024 £ |
|---|-------|------------------|------------------|
| Fixed assets | | | |
| Tangible assets | 9 | 868,621 | 863,705 |
| Intangible assets | 10 | 16,666 | 41,666 |
| Investments | 11 | 1 | 1 |
| | | <u>885,288</u> | <u>905,372</u> |
| Current assets | | | |
| Stock | | 12,500 | 19,583 |
| Trade debtors | | 151,652 | 88,910 |
| Prepaid expenses | | 73,894 | 64,505 |
| Accrued income | | 155,053 | 137,324 |
| Investments | | 1,064,905 | 1,912,524 |
| Cash at bank and in hand | | 342,741 | 7,448 |
| | | <u>1,800,745</u> | <u>2,230,294</u> |
| Liabilities | | | |
| Creditors: amounts falling due within one year: | | | |
| Bank loans and overdrafts | | - | 18,374 |
| Trade creditors | | 45,998 | 79,563 |
| Other creditors | | 700 | 1,287 |
| Taxes and social security creditors | | 66,109 | 50,585 |
| Accrued expenses | | 64,388 | 61,788 |
| Deferred income | 12 | 446,803 | 427,919 |
| | | <u>623,998</u> | <u>639,516</u> |
| Net current assets | | <u>1,176,747</u> | <u>1,590,778</u> |
| Net assets | | <u>2,062,035</u> | <u>2,496,150</u> |
| Funds | | | |
| Unrestricted funds | 13 | 1,058,909 | 1,680,744 |
| Restricted funds | 13 | 263,126 | 87,206 |
| Endowment funds | 13 | 740,000 | 728,200 |
| | | <u>2,062,035</u> | <u>2,496,150</u> |

Approved by the board of directors and Trustees on 10 November 2025 and signed on its behalf by

Jane Haywood

Signer ID: HD1YGP3S...

Jane Haywood
Director and Trustee

The notes on pages 26 to 37 form part of these financial statements

National Day Nurseries Association

Charity Statement of Cash Flows

For the year ended 31 March 2025

| | Notes | 2025 £ | 2024 £ |
|---|-------|------------------|------------------|
| Cash flows from operating activities | | | |
| Net cash provided by operating activities | 17 | <u>(524,022)</u> | <u>(472,147)</u> |
| Cash flows from investing activities | | | |
| Interest income | | 76,167 | 81,280 |
| Withdrawal from / (investment in) term deposits | | 847,619 | (380,446) |
| Purchase of tangible fixed assets | | (46,097) | (46,495) |
| Purchase of intangible fixed assets | | - | (50,000) |
| Net cash used in investing activities | | <u>877,689</u> | <u>(395,661)</u> |
| Cash flows from financing activities | | | |
| (Repayment of) loans in year | | - | - |
| Net cash used in financing activities | | <u>-</u> | <u>-</u> |
| Increase / (decrease) in cash and cash equivalents in the year | | 353,667 | (867,808) |
| Cash and cash equivalents at beginning of the year | | (10,926) | 856,882 |
| Cash and cash equivalents at end of the year | | <u>342,741</u> | <u>(10,926)</u> |

The notes on pages 26 to 37 form part of these financial statements

National Day Nurseries Association

Notes to the accounts

For the year ended 31 March 2025

1 Accounting policies

a) Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Effective 1 January 2019) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102), the Companies Act 2006, the Charities Act 2011 and the Charities Accounts (Scotland) Regulations 2006. The financial statements are prepared under the historical cost convention with the exception of land and buildings, which have been included at their revalued amount.

The trustees consider that the charity constitutes a public benefit entity.

b) Going concern

The trustees have considered the current position and budgets of the charity, and after making appropriate enquiries they have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

c) Incoming resources

Income from charitable activities other than grant funding is accounted for when there is entitlement to the income. Income is deferred where delivery of services relates to future periods. Revenue grant funding is accounted for upon entitlement to the income and is deferred where time restrictions apply to related expenditure. Investment income and other trading income is accounted for on an accruals basis. Donations are accounted for as they arise. All income is included gross and related costs are included in expenditure. All income is stated after trade discounts, other sales taxes and net of VAT.

d) Resources expended

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT that cannot be recovered.

Expenditure that is directly attributable to specific activities has been included in these cost categories.

Where costs are attributable to more than one activity, they have been apportioned across the cost categories consistent with the use of these resources. Any creditors or provisions at the year-end are apportioned on the same basis.

- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both those costs that can be allocated directly to such activities and those costs of an indirect nature to support them.
- Governance costs include those costs incurred in the governance of the charity and its assets, and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions that have been allocated to activity cost categories on a basis consistent with the staff time engaged on each activity.

National Day Nurseries Association

Notes to the accounts

For the year ended 31 March 2025

1 Accounting policies - continued

e) Operating leases

Rentals applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are reflected in the Statement of Financial Activities on a straight-line basis over the period of the lease.

f) Pension costs

The charity operates a defined contribution pension scheme.

The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

Pension costs are attributed to the activity performed by the staff member to whom the cost relates.

g) Intangible Fixed assets

Intangible fixed assets are stated at historical cost and amortisation is provided on all intangible fixed assets on a straight-line basis.

Intellectual property is written off over the length of the non-competition clause.

Amortisation rates are as follows:

| | |
|-----------------------|-------------------|
| Intellectual property | 50% straight line |
|-----------------------|-------------------|

Assets are assessed at least annually for impairment. Any impairment value is recognised immediately in the statement of financial activities. Individually purchased software is written off in the year of acquisition.

h) Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and any costs directly attributable to bringing the asset to its working condition for its intended use.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|----------------|--|
| Land | not depreciated |
| Buildings | 2% straight line |
| Equipment etc. | equal instalments over estimated life of 4 to 8 years. |

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

National Day Nurseries Association

Notes to the accounts

For the year ended 31 March 2025

1 Accounting policies - continued

i) Stocks

Stocks are valued at the lower of cost and net realisable value, after making due deductions for obsolete and slow moving items.

Stocks are valued using the first-in, first-out (FIFO) method.

j) Current asset investments

Current asset investments comprise term bank deposits not realisable within 3 months and which are held to generate interest income.

k) Government grants

Government grants received towards revenue costs are recognised within the financial statements when the charity has entitlement and in accordance with the provisions of FRS102 on either the performance or accruals model on a class-by-class basis.

l) Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charity's objects.

Designated funds are unrestricted funds, which are determined by specific need to set aside funds to fund future developments in the charity, maintain the building and develop IT infrastructure.

Restricted funds are held where there are restrictions imposed by the donor on the use of the funds granted. All restricted funds are held in net current assets.

Endowment funds represent assets purchased with grant funding. Transfers are made to unrestricted funds to cover depreciation charges.

m) Taxation

The charity meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is exempt from taxation in accordance with the Corporation Tax Act 2010, to the extent that such income is applied exclusively for charitable purposes.

n) Liability of members

The company is limited by guarantee and the liability of each member is limited to £1.

o) Key accounting estimates and assumptions

Accounting estimates, by definition, will often vary from the actual results. They are continually evaluated, and are based on historical experience and other factors, including expectations of future events that are deemed to be reasonable under the circumstances. The nature of the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are addressed below. The carrying amount of the estimates and assumptions at the year-end are disclosed in the relevant note to the accounts.

National Day Nurseries Association

Notes to the accounts

For the year ended 31 March 2025

1 Accounting policies - continued

Useful economic lives of tangible assets:

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets, which are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

Valuation of land and buildings:

The land and buildings are held in the Balance Sheet at valuation and the basis for valuation is fair value.

p) Financial instruments

The charity has adopted section 11 of FRS 102 in respect of financial instruments.

Short-term debtors are measured at transaction price, less any impairment.

Short-term creditors are measured at transaction price.

q) General information

The charity is a private company limited by guarantee and is incorporated in England and Wales.

The address of its registered office is National Early Years Enterprise Centre, Longbow Close, Huddersfield HD2 1GQ.

The company's register number is 03738616.

r) Cash and cash equivalents

Cash and cash equivalents include cash at bank and in hand as well as any short-term, highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value.

s) Termination benefits

Termination benefits are recognised when the company has committed to providing them to employees.

They are measured at the best estimate required to settle the obligation at the reporting date.

National Day Nurseries Association

Notes to the accounts

For the year ended 31 March 2025

| 2 Donations | 2025 | 2024 |
|-----------------------------------|---------------|------------|
| | £ | £ |
| The Moondance Foundation Donation | 59,820 | - |
| Other | - | 837 |
| | <u>59,820</u> | <u>837</u> |

| 3 Projects and contracts | 2025 | 2024 |
|--------------------------|------------------|----------------|
| | £ | £ |
| Welsh Government | 390,742 | 333,360 |
| Scottish Government | 145,000 | 145,000 |
| Other | 926,232 | 430,791 |
| | <u>1,461,974</u> | <u>909,151</u> |

Included in the above are restricted funds:

| | | |
|---------------------|------------------|----------------|
| Welsh Government | 390,742 | 333,360 |
| Scottish Government | 145,000 | 145,000 |
| Other | 921,838 | 420,016 |
| | <u>1,457,580</u> | <u>898,376</u> |

Included in the above, the amount of grants total £1,457,580 (2024: £898,376).

Also included in the above are government grants totalling £733,620 (2024: £526,742).

| 4 Total resources expended | Direct delivery staff costs | Other delivery costs | Support incl staff costs | Depreciation/ Impairment | Total 2025 |
|--|-----------------------------------|----------------------------|--------------------------------|-----------------------------|------------------|
| | £ | £ | £ | £ | £ |
| Facilities hire | 2,969 | 160 | 2,625 | 199 | 5,953 |
| Membership services | 293,652 | 469,389 | 206,183 | 15,396 | 984,620 |
| Sector support services | 488,115 | 120,518 | 416,817 | 28,860 | 1,054,310 |
| Projects & contracts | 880,965 | 101,737 | 569,858 | 43,306 | 1,595,866 |
| Events, publicity and commercial | 46,788 | 167,814 | 26,580 | 2,020 | 243,202 |
| Other expenditure: revaluation of property | - | - | - | (23,600) | (23,600) |
| | <u>1,712,489</u> | <u>859,618</u> | <u>1,222,063</u> | <u>66,181</u> | <u>3,860,351</u> |

2024 Comparatives

| | £ | £ | £ | £ | £ |
|----------------------------------|------------------|----------------|------------------|---------------|------------------|
| Facilities hire | 2,917 | 106 | 3,108 | 178 | 6,309 |
| Membership services | 282,601 | 250,351 | 285,237 | 13,724 | 831,913 |
| Sector support services | 452,304 | 138,772 | 437,842 | 24,180 | 1,053,098 |
| Projects & contracts | 588,320 | 80,894 | 472,888 | 27,168 | 1,169,270 |
| Events, publicity and commercial | 79,933 | 142,523 | 49,164 | 2,824 | 274,444 |
| | <u>1,406,075</u> | <u>612,646</u> | <u>1,248,239</u> | <u>68,074</u> | <u>3,335,034</u> |

Allocation of support costs is based on staff time engaged on each activity.

| Support costs include: | 2025 | 2024 |
|------------------------|-----------|---------|
| | £ | £ |
| Staff costs | 1,106,689 | 838,626 |
| IT support | 188,229 | 140,883 |
| Consultancy costs | 22,100 | 103,421 |
| Premises | 50,701 | 43,206 |
| Governance | 29,689 | 31,651 |
| Marketing | 25,115 | 33,400 |

National Day Nurseries Association

Notes to the accounts

For the year ended 31 March 2025

4 Total resources expended - continued

| Total resources expended include: | 2025 | 2024 |
|-----------------------------------|--------|--------|
| | £ | £ |
| Operating lease rentals | 9,047 | 8,679 |
| Professional indemnity insurance | 2,616 | 2,847 |
| Auditors remuneration: | | |
| Audit | 15,350 | 14,950 |
| Other services | - | - |

5 Staff costs

| | 2025 | 2024 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 2,411,344 | 1,940,550 |
| Social security costs | 216,941 | 179,133 |
| Pension costs | 130,687 | 109,174 |
| Staff insurance | 11,684 | 10,609 |
| Agency staff costs | 20,757 | 5,235 |
| | <u>2,791,412</u> | <u>2,244,701</u> |

There were five employees with remuneration in excess of £60,000: Band £60,001 to £70,000 = 4; £110,001 to £120,000 = 1 (2024: Band £60,001 to £70,000 = 3; Band £110,001 to £120,000 = 1).

The key management personnel of the charity comprises the Chief Executive and Senior Management Team whose employee benefits total £511,798 (2024: £497,832).

The average number of staff employed by the charity and group during the year was 85 (2024: 64).

The average full time equivalent number of staff employed by the charity was as follows:

| | 2025 | 2024 |
|--|-----------|-----------|
| | Number | Number |
| Charitable activities | 50 | 40 |
| Support staff | <u>20</u> | <u>16</u> |
| | <u>70</u> | <u>56</u> |
| Included in full time equivalent staff are participants on job creation programmes | 5 | 2 |

6 Pension costs

The company has contributed £130,686 (2024: £109,174) into a Group Personal Pension Plan for its employees.

At the end of the year £700 (2024: £1,286) was owing in unpaid contributions.

National Day Nurseries Association

Notes to the accounts

For the year ended 31 March 2025

7 Trustees remuneration and expenses

No remuneration was paid directly to trustees during the year. See Note 16 for details of other payments to trustees.

Expenses incurred by the charity for the purpose of trustees carrying out their duties were £3,976, 7 trustees (2024: £3,255, 9 trustees).

Cost of professional indemnity insurance including trustee indemnity amounted to £2,616 (2024: £2,847).

8 Charity statement of financial activities 2024 Comparatives

| | Notes | Unrestricted Funds £ | Unrestricted Designated Funds £ | Endowment Fund £ | Restricted Funds £ | Total 2024 £ |
|--------------------------------------|-------|-------------------------|------------------------------------|---------------------|-----------------------|-----------------|
| Income | | | | | | |
| Donations | 2 | 837 | - | - | - | 837 |
| Other trading activities | | | | | | |
| Facilities hire | | 3,523 | - | - | - | 3,523 |
| Income from investments | | 81,280 | - | - | - | 81,280 |
| | | 85,640 | - | - | - | 85,640 |
| Income from charitable activities | | | | | | |
| Membership services | | 729,568 | - | - | - | 729,568 |
| Sector support services | | 616,971 | - | - | - | 616,971 |
| Projects & contracts | 3 | 10,775 | - | - | 898,376 | 909,151 |
| Events, publicity and commercial | | 391,085 | - | - | - | 391,085 |
| | | 1,748,399 | - | - | 898,376 | 2,646,775 |
| Total income | | 1,834,039 | - | - | 898,376 | 2,732,415 |
| Expenditure | | | | | | |
| Expenditure on raising funds | | | | | | |
| Facilities hire | | 5,858 | 451 | - | - | 6,309 |
| Expenditure on charitable activities | | | | | | |
| Membership services | | 600,772 | 231,141 | - | - | 831,913 |
| Sector support services | | 975,057 | 78,041 | - | - | 1,053,098 |
| Projects & contracts | | 32,134 | 68,625 | - | 1,068,511 | 1,169,270 |
| Events, publicity and commercial | | 267,310 | 7,134 | - | - | 274,444 |
| Other expenditure | | | | | | |
| Reversal of property impairment | | - | - | - | - | - |
| Total resources expended | 4 | 1,881,131 | 385,392 | - | 1,068,511 | 3,335,034 |
| Net income/(expenditure) | | (47,092) | (385,392) | - | (170,135) | (602,619) |
| Transfers between funds | 13 | (511,579) | 523,379 | (11,800) | - | - |
| Net movement in funds | | (558,671) | 137,987 | (11,800) | (170,135) | (602,619) |
| Total funds brought forward | 13 | 1,914,312 | 187,116 | 740,000 | 257,341 | 3,098,769 |
| Total funds carried forward | 13 | 1,355,641 | 325,103 | 728,200 | 87,206 | 2,496,150 |

National Day Nurseries Association

Notes to the accounts

For the year ended 31 March 2025

9 Tangible assets

| | Long leasehold land and buildings £ | Equipment etc. £ | Total £ |
|---------------------------|---|------------------------|------------|
| Cost or valuation | | | |
| At 1 April 2024 | 740,000 | 270,853 | 1,010,853 |
| Additions | - | 46,097 | 46,097 |
| At 31 March 2025 | 740,000 | 316,950 | 1,056,950 |
| Depreciation | | | |
| At 1 April 2024 | 11,800 | 135,348 | 147,148 |
| Charge for the year | 11,800 | 52,981 | 64,781 |
| Eliminated on revaluation | (23,600) | - | (23,600) |
| At 31 March 2025 | - | 188,329 | 188,329 |
| Net book value | | | |
| At 31 March 2025 | 740,000 | 128,621 | 868,621 |
| At 31 March 2024 | 728,200 | 135,505 | 863,705 |

The land and buildings are included at valuation based on a combination of the All Risks Yield (Investment) method of valuation and the traditional comparable method. A valuation, dated 31 March 2025, was undertaken by Bramleys LLP, independent RICS registered valuers.

The historical cost of the land and buildings and accumulated depreciation had it not been revalued would have been as follows:

| | 2025 £ | 2024 £ |
|---------------------------------|-----------|-----------|
| Cost | 1,395,715 | 1,395,715 |
| Accumulated depreciation | (444,586) | (422,255) |
| | 951,129 | 973,460 |
| The historical valuations were: | | |
| 31 March 2025 | £ 740,000 | |
| 31 March 2023 | £ 740,000 | |
| 31 March 2022 | £ 740,000 | |
| 31 March 2020 | £ 735,000 | |

10 Intangible assets

| | Intellectual Property £ | Total £ |
|---------------------|-------------------------------|------------|
| Cost or valuation | | |
| At 1 April 2024 | 50,000 | 50,000 |
| Additions | - | - |
| At 31 March 2025 | 50,000 | 50,000 |
| Amortisation | | |
| At 1 April 2024 | 8,334 | 8,334 |
| Charge for the year | 25,000 | 25,000 |
| At 31 March 2025 | 33,334 | 33,334 |
| Net book value | | |
| At 31 March 2025 | 16,666 | 16,666 |
| At 31 March 2024 | 41,666 | 41,666 |

National Day Nurseries Association

Notes to the accounts

For the year ended 31 March 2025

11 Investments

Shares in group
undertakings

| | |
|---|---|
| Cost at 31 March 2024 and 31 March 2025 | £ |
| | 1 |
| Net book value at 31 March 2024 and 31 March 2025 | 1 |

The company's investments at the balance sheet date consist of 100% of the ordinary share capital of its subsidiary NDNA Services Limited, company number 07520697, whose registered office is National Early Years Enterprise Centre, Longbow Close, Huddersfield HD2 1GQ.

NDNA Services Limited is dormant.

12 Deferred income

| | Membership | Projects & contracts | Events, publicity & campaigns | Sector support services | Total |
|-----------------------------|------------|----------------------|-------------------------------|-------------------------|-----------|
| | £ | £ | £ | £ | £ |
| Balance at 1 April 2024 | 358,592 | 13,463 | 22,029 | 33,835 | 427,919 |
| Released from previous year | (358,592) | (13,463) | (22,029) | (33,835) | (427,919) |
| Deferred in current year | 383,353 | - | 38,393 | 25,057 | 446,803 |
| Balance at 31 March 2025 | 383,353 | - | 38,393 | 25,057 | 446,803 |

Deferred income refers to delivery of services in the following financial year.

| 2024 Comparatives | Membership | Projects & contracts | Events, publicity & campaigns | Sector support services | Total |
|-----------------------------|------------|----------------------|-------------------------------|-------------------------|-----------|
| | £ | £ | £ | £ | £ |
| Balance at 1 April 2023 | 346,249 | 81,745 | 35,001 | 35,685 | 498,680 |
| Released from previous year | (346,249) | (81,745) | (35,001) | (34,067) | (497,062) |
| Deferred in current year | 358,592 | 13,463 | 22,029 | 32,217 | 426,301 |
| Balance at 31 March 2024 | 358,592 | 13,463 | 22,029 | 33,835 | 427,919 |

13 Analysis of charitable funds

| | Balance at 1.4.24 | Incoming resources | Outgoing resources | Transfer between funds | Balance at 31.3.25 |
|--------------------|-------------------|--------------------|--------------------|------------------------|--------------------|
| | £ | £ | £ | £ | £ |
| Unrestricted funds | 1,680,744 | 1,908,836 | (2,542,471) | 11,800 | 1,058,909 |
| Endowment fund | 728,200 | - | 23,600 | (11,800) | 740,000 |
| Restricted funds | 87,206 | 1,517,400 | (1,341,480) | - | 263,126 |
| | 2,496,150 | 3,426,236 | (3,860,351) | - | 2,062,035 |

| Analysis of movement in unrestricted funds | Balance at 1.4.24 | Incoming resources | Outgoing resources | Transfer between funds | Balance at 31.3.25 |
|--|-------------------|--------------------|--------------------|------------------------|--------------------|
| | £ | £ | £ | £ | £ |
| General fund | 1,355,641 | 1,902,519 | (2,026,677) | (348,663) | 882,820 |
| Designated development fund | 300,616 | 6,317 | (458,861) | 270,322 | 118,394 |
| Designated buildings fund | 6,759 | - | (3,620) | - | 3,139 |
| Designated IT fund | 17,728 | - | (53,313) | 90,141 | 54,556 |
| | 1,680,744 | 1,908,836 | (2,542,471) | 11,800 | 1,058,909 |

Name of unrestricted fund
General fund
Designated development fund

Designated buildings fund

Designated IT fund

Description, nature and purpose of fund
The reserves after allowing for all designated funds.
Designated fund for developing services that will support sustainability. There are a number of projects ongoing which are expected to continue during 2025-26.
Designated fund for office furniture and equipment purchased (and capitalised) in 2018, 2020, 2021 and 2022.
Designated fund for finance software purchased (and capitalised) in 2019, CRM and website purchased (and capitalised) in 2022.

National Day Nurseries Association

Notes to the accounts

For the year ended 31 March 2025

13 Analysis of charitable funds - continued

| | Balance at 1.4.24 | Incoming resources | Outgoing resources | Transfer between funds | Balance at 31.3.25 |
|---|----------------------|-----------------------|-----------------------|------------------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Analysis of movement in restricted funds | | | | | |
| Welsh Government Children & Families | 58,271 | 214,076 | (191,212) | - | 81,135 |
| Welsh Government Language Unit | - | 116,666 | (116,666) | - | - |
| Welsh Government Foundation Learning | - | 60,000 | (60,000) | - | - |
| Scottish Government Strategic Funding Partnership | - | 145,000 | (145,000) | - | - |
| UK Shared Prosperity Fund | - | 127,991 | (127,991) | - | - |
| The Veterans' Foundation | - | 24,682 | - | - | 24,682 |
| The Moondance Foundation | - | 59,820 | (29,910) | - | 29,910 |
| The Armed Forces Covenant Fund Trust | - | 68,210 | (37,547) | - | 30,663 |
| East Ayrshire Local Employability Partnership | - | 69,887 | (69,887) | - | - |
| Baily Thomas Charitable Trust | - | 10,000 | - | - | 10,000 |
| Best Practice Network | - | 17,500 | (17,500) | - | - |
| Education Endowment Fund | - | 430,229 | (430,229) | - | - |
| Early Years Stronger Practice Hubs | - | 3,000 | (3,000) | - | - |
| The Mercers' Company | 28,935 | 65,340 | (75,538) | - | 18,737 |
| The Foyle Foundation | - | 50,000 | (37,000) | - | 13,000 |
| Eastern Counties Educational Trust | - | 25,000 | - | - | 25,000 |
| Peter Harrison Foundation | - | 30,000 | - | - | 30,000 |
| | <u>87,206</u> | <u>1,517,401</u> | <u>(1,341,480)</u> | <u>-</u> | <u>263,127</u> |

Key incoming resources:

Welsh Government Children & Families - grant awarded to support the development of innovative solutions to provide flexible childcare that meets the needs of families in Wales.

Welsh Government Language Unit - grant for support of early years settings with the Welsh language training programme.

Welsh Government Foundation Learning - grant for the support of the delivery of Curriculum for Wales in non-maintained early years settings.

Scottish Government Strategic Funding Partnership - grant to support best practice in delivering Early Learning and Childcare policy and improvement of quality in Private, Voluntary and Independent nurseries.

UK Shared Prosperity Fund - additional UKSPF funding received from Conwy County Borough Council and Pembrokeshire Council, which has enabled NDNA to offer people facing barriers to employment the opportunity to gain childcare qualifications and practical experience through our Childcare Works employment programme.

The Veterans' Foundation - grant to support us in delivering our successful and highly effective Childcare Works training and employability programme.

The Moondance Foundation - donation to introduce people into employment in childcare via NDNA's Childcare Works programme in Wales.

The Armed Forces Covenant Fund Trust - funding to enable us to deliver our highly effective Childcare Works training and employment programme to partners of serving military personnel in England and in Wales.

East Ayrshire Local Employability Partnership - grant funding to deliver the Childcare Works employment programme across East Ayrshire, introducing people into employment in Early Learning and Childcare.

Baily Thomas Charitable Trust - grant for the development of a bespoke module to increase staff confidence in delivering early education and childcare specifically to children with learning disabilities. The content will be incorporated into NDNA's Championing SEND training course.

Best Practice Network - grant for working alongside as Delivery Partners to train, mentor and assess learners undertaking the Early Years SENCO Level 3 qualification.

Education Endowment Fund/DfE - Accelerator Fund - grant for larger scale delivery of /DfE - Accelerator Fund - grant for larger scale delivery of the Maths Champions programme.

Early Years Stronger Practice Hubs - grant for the delivery of our Maths Champions programme.

The Mercers' Company, as trustee of the Charity of Sir Richard Whittington - grant supporting NDNA to deliver Maths Champions and Language & Communication Champion programmes into 18 of the most deprived boroughs in Greater London.

The Foyle Foundation - grant awarded for a bespoke 24-week training programme for childcare practitioners, providing them with the knowledge and skills required to engage with children with SEND through the power of music.

Eastern Counties Educational Trust - grant to deliver specialist music training to nursery staff supporting children with SEND in deprived areas of the Eastern region of England.

Peter Harrison Foundation - grant to enable delivery of our Championing SEND professional development programme to 46 childcare settings in the South East of England, in areas ranked 1-2 on the Index of Multiple Deprivation.

National Day Nurseries Association

Notes to the accounts

For the year ended 31 March 2025

13 Analysis of charitable funds - continued

2024 Comparatives

| | Balance at 1.4.23 | Incoming resources | Outgoing resources | Transfer between funds | Balance at 31.3.24 |
|--------------------|----------------------|-----------------------|-----------------------|------------------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Unrestricted funds | 2,101,428 | 1,834,039 | (2,266,523) | 11,800 | 1,680,744 |
| Endowment fund | 740,000 | - | - | (11,800) | 728,200 |
| Restricted funds | 257,341 | 898,376 | (1,068,511) | - | 87,206 |
| | <u>3,098,769</u> | <u>2,732,415</u> | <u>(3,335,034)</u> | <u>-</u> | <u>2,496,150</u> |

| | Balance at 1.4.23 | Incoming resources | Outgoing resources | Transfer between funds | Balance at 31.3.24 |
|-----------------------------|----------------------|-----------------------|-----------------------|------------------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| General fund | 1,914,312 | 1,834,039 | (1,881,131) | (511,579) | 1,355,641 |
| Designated development fund | 56,159 | - | (213,439) | 457,896 | 300,616 |
| Designated buildings fund | 14,033 | - | (7,274) | - | 6,759 |
| Designated IT fund | 116,924 | - | (164,679) | 65,483 | 17,728 |
| | <u>2,101,428</u> | <u>1,834,039</u> | <u>(2,266,523)</u> | <u>11,800</u> | <u>1,680,744</u> |

| | Balance at 1.4.23 | Incoming resources | Outgoing resources | Transfer between funds | Balance at 31.3.24 |
|---|----------------------|-----------------------|-----------------------|------------------------------|-----------------------|
| | £ | £ | £ | £ | £ |
| Welsh Government Children & Families | 183,079 | 134,076 | (258,884) | - | 58,271 |
| Welsh Government Language Unit | - | 139,284 | (139,284) | - | - |
| Welsh Government Foundation Learning | - | 60,000 | (60,000) | - | - |
| Scottish Government Strategic Funding Partnership | - | 145,000 | (145,000) | - | - |
| Shared Prosperity Fund | - | 33,607 | (33,607) | - | - |
| The Moondance Foundation | 74,262 | - | (74,262) | - | - |
| East Ayrshire Local Employability Partnership | - | 14,775 | (14,775) | - | - |
| Best Practice Network | - | 78,500 | (78,500) | - | - |
| Education Endowment Fund | - | 172,564 | (172,564) | - | - |
| Early Years Stronger Practice Hubs | - | 51,126 | (51,126) | - | - |
| The Mercers' Company Foundation | - | 69,444 | (40,509) | - | 28,935 |
| | <u>257,341</u> | <u>898,376</u> | <u>(1,068,511)</u> | <u>-</u> | <u>87,206</u> |

14 Analysis of net assets between fund balances

| | Unrestricted funds | Designated funds | Endowment funds (restricted) | Restricted funds (other) | Total 2025 |
|-------------------------|-----------------------|---------------------|------------------------------------|--------------------------------|------------------|
| | £ | £ | £ | £ | £ |
| Tangible fixed assets | 30,750 | 97,871 | 740,000 | - | 868,621 |
| Intangible fixed assets | - | 16,666 | - | - | 16,666 |
| Investments | 1 | - | - | - | 1 |
| Net current assets | 852,069 | 61,552 | - | 263,127 | 1,176,748 |
| | <u>882,820</u> | <u>176,089</u> | <u>740,000</u> | <u>263,127</u> | <u>2,062,036</u> |

2024 Comparatives

| | Unrestricted funds | Designated funds | Endowment funds (restricted) | Restricted funds (other) | Total 2024 |
|-------------------------|-----------------------|---------------------|------------------------------------|--------------------------------|------------------|
| | £ | £ | £ | £ | £ |
| Tangible fixed assets | 49,179 | 86,326 | 728,200 | - | 863,705 |
| Intangible fixed assets | - | 41,666 | - | - | 41,666 |
| Investments | 1 | - | - | - | 1 |
| Net current assets | 1,306,461 | 197,111 | - | 87,206 | 1,590,778 |
| | <u>1,355,641</u> | <u>325,103</u> | <u>728,200</u> | <u>87,206</u> | <u>2,496,150</u> |

National Day Nurseries Association

Notes to the accounts

For the year ended 31 March 2025

15 Operating lease commitments

Minimum lease payments under non-cancellable operating leases fall due as follows:

| | 2025 | 2024 |
|--------------------------------|---------------|---------------|
| | £ | £ |
| Operating leases which expire: | | |
| within one year | 9,080 | 8,763 |
| in two to five years | 2,289 | 9,341 |
| | <u>11,369</u> | <u>18,104</u> |

16 Related parties disclosures

The company has taken advantage of the exemption in Financial Reporting Standard number 102 from the requirement to disclose the transactions with group companies on the grounds that they are wholly owned.

Payments to trustees are in line with the Memorandum and Articles of Association.

£5,000 (2024: Nil) was paid for the legal services of Lupton Fawcett, a firm in which trustee David Smyllie is a partner.

Christie & Co, a company in which Courteney Donaldson is a Director, paid the charity £15,300 (2024: £17,444) for advertising and sponsorship. At the end of the year Christie & Co owed the charity Nil (2024: £4,908).

17 Reconciliation of net income/(expenditure) to net cash flow from operating activities

| | 2025 | 2024 |
|--|------------------|------------------|
| | £ | £ |
| Net movement in funds | (434,115) | (602,619) |
| Add back depreciation charge | 64,781 | 55,695 |
| Add back amortisation charge | 25,000 | 8,333 |
| Loss on disposal of fixed assets | - | 4,045 |
| Deduct property revaluation | (23,600) | - |
| Deduct interest income shown in investing activities | (76,167) | (81,280) |
| Decrease / (increase) in stock | 7,083 | (7,053) |
| Decrease / (increase) in debtors | (89,860) | 185,690 |
| (Decrease) in creditors | 2,856 | (48,010) |
| Decrease in amount due from group company | - | 13,052 |
| Net cash provided by operating activities | <u>(524,022)</u> | <u>(472,147)</u> |

18 Analysis of changes in net debt

| | Balance at 1.4.24 | Cash-flows | Balance at 31.3.25 |
|---------------------------|----------------------|----------------|-----------------------|
| | £ | £ | £ |
| Cash at bank and in hand | 7,448 | 335,293 | 342,741 |
| Bank loans and overdrafts | <u>(18,374)</u> | <u>18,374</u> | <u>-</u> |
| TOTAL | <u>(10,926)</u> | <u>353,667</u> | <u>342,741</u> |