

CHILD DYNAMIX

England & Wales · Charity number 1109642

Details

Status	Registered
Legal form	Charitable company
Company number	05389477
Registered	2005-05-24
Register	View on the Charity Commission register

Contact

Address	Child Dynamix 95 Preston Road Hull HU9 3QB
Phone	01482221425
Email	info@childdynamix.co.uk
Website	www.childdynamix.co.uk

Activities

Objects: TO PROMOTE SOCIAL REGENERATION BY PROVIDING RELIEF IN PARTICULAR BUT NOT EXCLUSIVELY TO CHILDREN, YOUNG PEOPLE AND THEIR FAMILIES WHO ARE RESIDENT OR EMPLOYED ACROSS THE HUMBER SUB-REGION WHO HAVE NEED BECAUSE OF AGE, MENTAL OR PHYSICAL DISABILITY, POVERTY OR ADDICTION

Activities: Child Dynamix vision is to see communities where children and young people thrive, we do this by creating environments and delivering activities which enable children and young people to identify and realise both their aspirations and potential. Our work is predominantly based within the City of Hull which is currently ranked as the 4th deprived local area in the country.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Other Charitable Activities
- **What:** General Charitable Purposes, Education/training, The Prevention Or Relief Of Poverty, Economic/community Development/employment, Other Charitable Purposes
- **Who:** Children/young People, The General Public/mankind

Geography

- **Area of benefit:** THE HUMBER SUB-REGION
- East Riding Of Yorkshire
- Kingston Upon Hull City
- North East Lincolnshire

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,586,383	£2,600,841	£622,200	85
2024-03-31	£1,829,827	£1,964,096	£636,658	65
2023-03-31	£1,670,214	£1,772,906	£770,927	61
2022-03-31	£1,794,875	£1,748,275	£873,619	70
2021-03-31	£1,833,398	£1,660,597	£827,019	77

Trustees

Name	Role	Appointed
BRIAN BRADLEY	Chair	2012-01-12
Adrian Stewart Lockyer		2025-01-29
George Coyle		2017-12-21
Jan Boyd		2013-03-26
Jessica Marie Smith		2025-01-29
Paul John Hamnett		2025-05-14
Simon Ford		2024-09-26

Accounts

Charity Registration No. 1109642

Company Registration No. 05389477 (England and Wales)

CHILD DYNAMIX

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025



72 Lairgate
Beverley
East Yorkshire
United Kingdom
HU17 8EU

	Page
Company information	1
Trustees' report	2 - 11
Statement of trustees' responsibilities	12
Independent auditor's report	13 - 16
Statement of financial activities	17
Balance sheet	18 - 19
Statement of cash flows	20
Notes to the financial statements	21 - 38

CHILD DYNAMIX

COMPANY INFORMATION

Trustees	J Boyd	
	B A Bradley	
	Mr S B Ford	(Appointed 26 September 2024)
	G E Coyle	(Appointed 22 October 2024)
	Mr A Lockyer	(Appointed 29 January 2025)
	Mrs J M Raspin	(Appointed 29 January 2025)
	Mr P J Hamnett	(Appointed 14 May 2025)
Senior management	L Darnell	Head of HR and Finance
	N Clark	Head of childcare
	A Wheal	Children & family services manager
Charity number	1109642	
Company number	05389477	
Registered office	95 Preston Road Hull East Yorkshire United Kingdom HU9 3QB	
Auditor	TC Group 72 Lairgate Beverley East Yorkshire United Kingdom HU17 8EU	
Solicitors	Rollits LLP Citadel House 58 High Street Hull East Yorkshire United Kingdom HU1 1QE	

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2024. The trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006 and "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 (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Objects for which the Company is established are to promote social regeneration by providing relief in particular but not exclusively to children, young people and their families who are resident or employed across the Humber Sub-Region who have need because of age, mental or physical disability, poverty or addiction. In particular, but not so as to limit the generality of the foregoing, to provide combinations of early years' education, play work, youth work, community sports, family support and health advice, learning and employment services.

The vision and purpose

Our vision is: Communities where children and young people thrive.

Our purpose is: To create environments and deliver activities which enable children and young people to identify and realise both their aspirations and their potential.

How our activities deliver public benefit:

Our main activities are described below and focus on the objectives for which Child Dynamix was created in 2005, including changes to these objectives in 2014. The services provided to children, young people and their families are for the most part free and all are open and accessible to all. Where there are fees to be charged there are opportunities for those unable to afford these fees to access the service via other funding streams i.e., local authority/social services, two-year-old funding and early years education grants. In addition to this, the charity receives pupil premium for children in need within its Childcare settings. The trustees considered the Charity Commissions guidance on public benefit when planning and developing the charity's activities at all its meetings. For specific activities, funding is sought in partnership with the young person or group to enable them to achieve their aspirations. The Corporate Social Responsibility policy is embedded across the charity and explains the way in which the charity supports other small community organisations and takes a responsible approach to the environment.

Who	used	and	benefited	from	our	services:
<u>Community</u>			<u>Day</u>			<u>Nurseries:</u>

Child Dynamix now has 5 daycare settings, two in East Hull (Preston Road and Savoy Road) and 3 in West Hull (Boulevard, Rainbow Nursery and Rainbow Pre-School) In April 2025, Child Dynamix acquired the Rainbow Nursery and Rainbow Pre-School settings expanding our childcare offer across the city of Hull. Both settings were established in their communities and a team of 21 staff were transferred under TUPE. These settings offer a further 67 places and are based in the Avenues area of the city.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

We know our day nurseries play a critical role in the learning and development of the youngest children, and we aim to offer the finest provision by providing stimulating learning environments for the children who attend. We also know the importance of quality day care to enable families to access employment and learning opportunities. We aim to provide a flexible approach to meet the needs of children and their families.

Our nursery teams regularly monitor and assess children's learning and development to ensure we offer an early intervention and provide the right level of support to all our children and their families. Analysis of those assessments demonstrates increasing concern of children's communication and how this can impact their learning. In response, we have implemented several approaches including Stories for Talking, and increased staff training in communication strategies to help address this issue, in particular to support children whilst waiting for a specialist service.

Recruitment of staff during this past 12 months has affected all our settings. However, we have successfully recruited our Level two and Level three students who have successfully completed their college courses into our settings. We continue to offer student placement in all our settings. We had relied heavily on agency staff to maintain our legal adult to child numbers but this has significantly reduced during the year. The recruitment of nursery practitioners is a national crisis and proving to be an ongoing issue for the profession. An incentive scheme launched by the Department of Education to encourage new or returning staff into Early years. Although we were eligible for this scheme and gave new starters the incentive payment this did not bring the interest we had hoped the scheme would bring.

We are pleased to see the Governments increase focus on early years including broadening the eligibility for free childcare, however, the issues around recruitment, retention and qualifications for practitioners creates concerns as to how the increased demand can be met.

Across April 2024 – March 2025, there were **429** children on roll across our nurseries. Of those 429 children, 32 were receiving additional support funding, with a further 59 children experiencing some other learning difficulty or development delay. This means 21% of children attending our settings had some kind of special educational need or disability. 60 children have English as an additional language, 48 of these at the Boulevard setting alone. We supported 68 families to access 30-hour funding, enabling them to increase childcare to meet their needs.

Children and Family Services:

Children and Family Services consists of two key and consistent elements; Little Stars Family hub and our Youth Service based at The Hut Youth Centre. Both of these services are part of Hulls Early Help offer to support Children, Young People and their Families and deliver a range of services and support. We also have various additional projects that enhance this key delivery and over the course of this year have included the Movement Fund, Blue Influencer and National Citizenship Service (NCS).

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Little Stars Family Hub sits in the Early Help provision within the East Locality in the city of Hull. The team provides targeted family support and a range of services for local families including parenting support, understanding children's behaviour with courses to help with parenting, child safety, infant feeding, budgeting, cooking and providing healthy meals, help to access early education funded nursery places and promoting parents understanding of early childhood development. The team provides regular stay and play sessions, creating a language-rich and stimulating environment in which children and their parents/carers can come together. The nature of the service means team members work closely with professionals from other agencies including schools and children's social care, as well as local charities and voluntary organisations. This approach ensures children and families receive the level of support they need to make lasting change and get the help they need quickly. Family Hubs have a focus on the child's first 1001 days, infant mental health and the parent/infant relationship.

Our **Youth Service** is commissioned by Hull City Council and is delivered in partnership with Maximum Life Youth Project, and St. Stephens Neighbourhood Centre. The partnership delivers across East Hull using venues in Preston Road, Greatfield, Ings and Longhill Estate. The Child Dynamix Youth team work from **The Hut Youth Centre** where we provide a range of services for the community and young people and continue to utilise the fantastic facilities the building offers. The teaching kitchen with rise and fall worktops and accessible cooker, IT suite, dance and craft rooms have been used for individual and group sessions by the team, and by local groups who hire the spaces to deliver their projects. More broadly, the youth team provide a range of services including one to one support, small group work and larger sessions with as many as 40 young people on a Friday night. The team provides a range of activities for young people including music, sport, cooking, arts and crafts, and participates in annual events such as the Humber Night Challenge and Lifestyle. The team sourced additional funds to support its delivery from: Clarion Futures, Humberside PCC and Street Games. The team extend their delivery to other community venues including Eastmount Recreation Centre, Shelley Avenue Sports Pavilion and local parks and green spaces.

After the success of our Green Influencer scheme, from 2024 Child Dynamix will host a Blue Mentor to develop our **Blue Influencer** scheme. The scheme aims to remove barriers to accessing the outdoors, whilst helping young people create deep, lasting and meaningful connections to the natural environment via their local coasts and rivers by giving them a voice to make change in their community. The scheme is funded by the Ernest Cook Trust and allows us to work with children, aged 10 to 14 years old, from youth centres and schools across Hull.

With funding from NCS (National Citizenship Service) we formed a partnership with Rewilding Youth and Probe Hull to offer a series of 12 week programmes full of exciting experiences and opportunities to support 16 and 17 year olds in their journey back into a form of Education, Employment or Training that suits them. The project supports young people to build in confidence, get on the right track to achieve their aspirations and recognise their own potential.

This has been a great addition to our existing youth offer and allows us to work with young people from across Hull.

Across April 2024 – March 2025 the Children and Family services teams worked with approximately **3575** children and young people and adults.

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Surveys and feedback

We regularly carry out stakeholder surveys, evaluations and seek feedback to help us understand the impact the charity has had,

Surveys and feedback – day nurseries

Our day nurseries conduct an annual Parent Satisfaction Survey to help shape our nursery offer and ensure we continue to meet the needs of our local families.

These are some comments received through the survey from parents:

Child Dynamix Community Nursery Savoy Road:

“Continuous help and support from staff. They care about the children and always ask how they are. My child has come on loads since attending and gained lots of knowledge. I feel confident leaving her there and would recommend the nursery and staff to others.”

“The staff are amazing with [Child], she enjoys nursery and has come on really well since attending here, I find the app a really good idea to see what Lola has been up to threw the day.”

“They keep you informed of your child’s day on the app which is the best! The staff are very supportive and are very on the ball with everything- sorting everything straight away for us. Range of activities throughout the day. My daughter after only a week was very settled and this a due to the nursery and how outstanding it is!”

Nursery parent feedback – Parent Satisfaction Survey – Child Dynamix Community Nursery Savoy Road

Child Dynamix Community Nursery Preston Road:

“I was very worried about sending my son to nursery but when I take him I can see how excited and happy he is to be there which reassures me that he enjoys it.”

“[Child] has thrived since being in nursery”.

“The staff who greet my child in in a morning are always happy and professional and make an effort to address my child.”

Nursery parent feedback – Parent Satisfaction Survey – Child Dynamix Community Nursery Preston Road

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Child Dynamix Community Nursery Boulevard:

Through the parent satisfaction survey, we received these comments from our Boulevard parents:

"My son is very happy at nursery but was a struggle to get him to where he now and he's come on massively"

"My daughter loves nursery after every session the staff tell me what she's been doing what she's had to eat etc"

"The management and workers there are amazing they are friendly polite and always keep you updated with everything for every session. The work the ladies put into the children is amazing. They do one to one sessions and phonics with my children and their development has come on amazing since been at this nursery"

Nursery parent feedback – Parent Satisfaction Survey – Child Dynamix Community Nursery Boulevard

Child Dynamix Community Nursery Rainbow:

Through a parent satisfaction welcome survey, we received these comments from our Rainbow parents:

"Communication is fantastic. Notes at pick up times are always thorough and I always have lovely pictures to look forward to at the end of the day."

"All of the staff have been fab and seem to know [Child] really well. Laura is brilliant."

"Millie and Rubie do so much for my child"

Nursery parent feedback – Parent Satisfaction Welcome Survey – Child Dynamix Community Nursery Rainbow

Child Dynamix Community Nursery Rainbow Preschool:

Through a parent satisfaction welcome survey, we received these comments from our Rainbow Preschool parents:

"Absolutely all the ladies are so invested and this truly shows when they all tell us what our daughter had been doing."

"Fantastic nursery and pre-school! my sons learnt loads since he's attended here. Would 100% recommend it to friends and family. :)."

"my daughter is always so happy to attend preschool"

Nursery parent feedback – Parent Satisfaction Welcome Survey – Child Dynamix Community Nursery Rainbow Preschool

Surveys and feedback – youth services

Young people provide feedback through annual surveys, at the end of a project or one to one support, and perhaps most regular in conversations as part of the activities they are involved with providing in the moment views and opinions. The youth team apply each year for the Investing in Children Award. The award gives national recognition for actively including children and young people in dialogue that results in change. Here is some of the feedback gained through the assessment:

"The staff are great, if theres something we want to do activity wise they'll just do it If they've got it"

"if you need someone to speak to and offload they offer one to one support"

"They tell us, if you enjoy something we do, well do it more"

"I like that if you don't like the food option, they'll look to see if they have something you like "

" I've had help with my mental health. They don't ignore it they help you and refer you to other services like councillors if needed"

"I enjoyed decorating the one-to-one room, making it bright and colourful for when people use it "

"I like that the staff don't tolerate bullying, and people will be given warnings and sent out if they continue doing it "

"We get to be involved in picking trips for summer and activities "

"I enjoy coming to socialise and get involved with activities like baking in the kitchen"

"I enjoy karaoke"

"The huts a safe place to see your friends and youth workers"

NCS Project

"The project has helped me get out of the house and with my communication, it has helped me find who I am and what I like doing"

"You helped me with my confidence, focussed on my skills and now I am back at college studying music – on a higher level than I thought I would be able to study – and I love it. I want to use music to travel the world and now I feel I can achieve that"

Suzy and Neill, without you I wouldn't have been able to do this. I got my CSCS card which helped me get a job."

"It's helped me recognise and realise that I have skills and strengths in things I didn't know I had. You've helped me realise things I didn't realise I was."

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

"Without this programme I really don't think I would be where I am today. The support Suzy gave me, it made me aware of so much more - who I was and what I could do. She challenged me, but I was in control of what I felt ready for."

Surveys and feedback – family support

There are a number of ways in which our children, parents and their wider family members share their views of services delivered by the Family Support team. This includes comments and feedback given directly to a member of staff, through surveys or evaluations at the end of a programme or course, social media and through activities they have participated in.

"the team at little stars hub, are helpful and plan the trips well."

"Thank you for a great day"

"My son enjoyed the animals and the rides"

" [Child] had a really good day, loved the soft play and the bouncy pillow, really liked the tractor ride and cereal bars"

Feedback from a parent that attended a summer trip (2024)

"I like how welcomed I feel. It's easy to talk"

"Always warm welcomes when I arrive"

Feedback attending sessions at Family Hub (2024)

Volunteering at Child Dynamix:

We have seen fewer people coming forward to volunteer mirroring issues across the city. However, we have seen areas of volunteering grow over the year including in our Youth Service. We recognise that some people are not ready for a regular volunteering commitment. We have looked to identify more ways to *lend a hand* in the hope of engaging our service users and developing grassroots opportunities into something more regular and formal. We recognise the benefits both for the individual and to Child Dynamix in offering regular volunteering opportunities. This year volunteers offered over 50 hours of their time.

Charity events and fundraising:

In December, we held our annual staff away day aiming to bring our teams together to celebrate our work and have some relaxed time together. This year we rolled out the red carpet and the whole team went to the cinema to watch a classic Christmas movie followed by a relaxed afternoon together playing games and celebrating achievements from across the year.

Investment performance

Under the Articles of Association, the charity has the power to invest in any way the trustees wish.

Financial review

We have seen an increase in occupancy across all our nurseries with the expansion of the education funding eligibility changes coming into effect over the past 24 months. We have reduced the amount of agency costs in this year and invested in more student placements and apprenticeships retaining and upskilling people to expand our workforce. We have adopted a Co-Leadership structure and reduced costs by removing some Senior Leadership roles as they have become vacant. Our strategy for the coming period focuses on expanding our childcare offer across the city and improving our financial position to support the core infrastructure of the charity.

Reserves policy

Child Dynamix's reserves stand at £627,158

The Trustees of Child Dynamix aim to secure a cash reserve of £230,000 which represents 10% of the Charity's average turnover (10 years). Close monitoring of the reserves is essential in helping us meet the demands of our strategic plan over the next three to five years. The target reserves amount of £230,000 has been calculated based on continuity planning, taking account of the Charity's liabilities. This reserve also provides the Charity's cash flow.

First and foremost, the Charity needs reserves to provide working capital to support its day-to-day operations, which is vital when waiting for invoices to be paid. Some contracts can be paid in arrears, leaving the Charity to cover general revenue costs for up to two months. Furthermore, many new funding streams are issued on a payment by results basis, which might split funding by as much as 50% which also then requires the Charity to hold funds to cover the full costs until final payment is made. The Charity Trustees would also consider proposals from the Charity's Officers to create seed funding for development of new vital services, and finally the Trustees may be asked to consider extending individual or team contracts for interim periods of no more than 3 months to bridge gaps where new funding has been secured but a gap is created between funding streams.

The Trustees have provision for the appointment of a Finance Trustee who, within the Articles of Association (reviewed 2022) has responsibility for monitoring and reviewing the agreed steps the charity has taken to establish and/or maintain the reserves and for any proposals for using reserves. The responsibility, should the Charity face closure, will impact on the whole Trustee group, including the Finance Trustee, who would work with the Chief Executive Officer and senior leadership team.

The level of reserves which has been set by the Trustees (see above) is, where possible, grown through our Social Enterprise activities, which have three-to-five-year financial plans. The reserves development and maintenance form part of the general management accounting the Charity undertakes weekly, monthly and quarterly at differing levels. The Head of Finance and Human Resources creates "actual to projected" reports on a quarterly basis to the Finance committee and then on to the Board.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Future plans

As a social regeneration charity, Child Dynamix recognises the importance of the whole family in relation to the outcomes for children and young people. Our themes of work - early years and childcare, family support and services for children and young people - offer both universal and targeted support. Levels and intensity of support differ depending on the presenting needs, but we recognise the many strengths children, young people and their families have. We see these as a positive starting point to enable people to make long lasting change with support from our staff and volunteers.

We continue to grapple with the reducing number of grants to apply to and the increasing competition for the remaining opportunities. It is a real challenge to find funds which reflect the work Child Dynamix delivers to meet the needs of our service users and local communities. Our focus in the coming year will be on expanding our childcare, family support, play and sport services.

Structure, governance and management

Governing document

The Charity is controlled by its governing document, a deed of trust, and constitutes a company limited by guarantee, as defined by the Companies Act 2006.

The company was incorporated on 11th March 2005.

The trustees, who are also the directors for the purpose of company law, who served during the year and up to the date of signature of the financial statements were:

J Boyd

B A Bradley

G E Coyle (Resigned 20 August 2024)

Mr G J Morgan (Resigned 30 June 2024)

Mr S B Ford (Appointed 26 September 2024)

G E Coyle (Appointed 22 October 2024)

Mr A Lockyer (Appointed 29 January 2025)

Mrs J M Raspin (Appointed 29 January 2025)

Mr P J Hamnett (Appointed 14 May 2025)

Recruitment and appointment of new trustees

The Trustees shall have power at any time to appoint any person to be a Trustee but so that the total number of Trustees shall not exceed the number determined under Article 34. Every Trustee shall be appointed for a term of three years unless agreed otherwise by the Trustees at the time of their appointment. A Trustee due to retire may, with the approval of a majority of the Trustees, stand for re-appointment for a second term so that Trustees may, if re-appointed, serve two consecutive terms. The Trustees may resolve by majority that because of exceptional circumstances a Trustee may hold office for a third term. The Trustees may resolve by majority that because of exceptional circumstances a Trustee may hold office for such further terms that are deemed to be in the Charity's best interests. The Trustees may make such rules pursuant to these Articles as they see fit from time to time with regard to the procedure for the appointment and reappointment of Trustees pursuant to this Article.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Governance Structure

The Trustees held four meetings during 2024– 2025. At the start of the year, a review of the governance structure resulted in a change to the number of quarterly committees and an internal co leadership structure due to the resignation of the CEO. The co leadership team whom the board delegates the day-to-day operations consists of the Head of Finance & HR, Head of Childcare and the Children and Family Services Manager all of whom report directly to the board of trustees. All sub committees were postponed whilst these changes were being embedded to support the transition.

- Child Dynamix Trading Ltd: (wholly owned trading subsidiary)
 - Mr Bryan Bradley Director

The Health and Safety internal audit of each of the charity's premises takes place annually and are reviewed throughout the year in response to national and local guidance and restrictions.

Induction and training of new trustees

The charity has a comprehensive induction pack for new Trustees (The Trustee Handbook). This Handbook includes role descriptions, conflict of interest, and code of conduct, the Articles and policies including finance and reserves. All Trustees of the charity complete the volunteer recruitment process, which includes a DBS enhanced check and undertake safeguarding training. Induction meetings are held with the Chief Executive and/or Chair of the Board prior to the first Board meeting attended. Trustees are encouraged to attend seminars and conferences on Charity law and governance issues when they are able. Information from these events is shared at subsequent board meetings.

Risk management

Child Dynamix holds a risk register; the register considers financial, reputational and operational risks to the charity and is agreed with the Board annually. The charity has systems and controls in place to manage the exposure to its significant risks. The risk register is referred to and updated if required in each Board meeting. In addition to this, the charity uses risk analysis at a project and service level.

Auditor

The auditor, TC Group, will be proposed for re-appointment at the forthcoming Annual General Meeting.

The trustees' report was approved by the Board of Trustees.

B A Bradley

Trustee

Dated: 22 September 2025

CHILD DYNAMIX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The Trustees, who are also the directors of Child Dynamix for the purpose of company law, are responsible for preparing the 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 which 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 the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Opinion

We have audited the financial statements of Child Dynamix (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

CHILD DYNAMIX

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

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 purpose of company law, are responsible for the preparation of the financial statements and 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.

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.

Auditor's responsibilities for the audit of the financial statements

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

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 an auditor's report 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

CHILD DYNAMIX

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website as: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditors' report.

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Todd FCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor

Office: Beverley

6 October 2025

TC Group is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

CHILD DYNAMIX

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income and endowments from:							
Donations and legacies	3	4,005	-	4,005	3,149	-	3,149
Charitable activities	4	2,459,850	117,119	2,576,969	1,656,059	165,269	1,821,328
Other trading activities	5	409	-	409	350	-	350
Other income	6	5,000	-	5,000	5,000	-	5,000
Total income		<u>2,469,264</u>	<u>117,119</u>	<u>2,586,383</u>	<u>1,664,558</u>	<u>165,269</u>	<u>1,829,827</u>
Expenditure on:							
Charitable activities	7	2,431,800	153,809	2,585,609	1,833,006	115,333	1,948,339
Other expenditure	12	15,232	-	15,232	15,757	-	15,757
Total expenditure		<u>2,447,032</u>	<u>153,809</u>	<u>2,600,841</u>	<u>1,848,763</u>	<u>115,333</u>	<u>1,964,096</u>
Net income/(expenditure)		22,232	(36,690)	(14,458)	(184,205)	49,936	(134,269)
Transfers between funds		(12,895)	12,895	-	33,821	(33,821)	-
Net movement in funds	9	9,337	(23,795)	(14,458)	(150,384)	16,115	(134,269)
Reconciliation of funds:							
Fund balances at 1 April 2024		<u>581,020</u>	<u>55,638</u>	<u>636,658</u>	<u>731,404</u>	<u>39,523</u>	<u>770,927</u>
Fund balances at 31 March 2025		<u>590,357</u>	<u>31,843</u>	<u>622,200</u>	<u>581,020</u>	<u>55,638</u>	<u>636,658</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CHILD DYNAMIX

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Goodwill	14		32,800		-
Other intangible assets	14		33,600		-
Total intangible assets			66,400		-
Tangible assets	15		574,311		601,485
Investments	16		10		10
			640,721		601,495
Current assets					
Debtors	17	37,777		55,132	
Cash at bank and in hand		207,574		258,033	
			245,351		313,165
Creditors: amounts falling due within one year	19	(56,951)		(63,806)	
Net current assets			188,400		249,359
Total assets less current liabilities			829,121		850,854
Creditors: amounts falling due after more than one year	20		(206,921)		(214,196)
Net assets			622,200		636,658
Income funds					
Restricted funds	22		31,843		55,638
Unrestricted funds			590,357		581,020
			622,200		636,658

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 22 September 2025

B A Bradley
Trustee

CHILD DYNAMIX

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2025

		2025		2024	
	Notes	£	£	£	£

Company Registration No. 05389477

CHILD DYNAMIX

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

		2025		2024	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	29		41,355		(123,435)
Investing activities					
Purchase of intangible assets		(83,000)		-	
Purchase of tangible fixed assets		(2,000)		-	
Net cash used in investing activities			(85,000)		-
Financing activities					
Repayment of bank loans		(6,814)		(6,291)	
Net cash used in financing activities			(6,814)		(6,291)
Net decrease in cash and cash equivalents			(50,459)		(129,726)
Cash and cash equivalents at beginning of year			258,033		387,759
Cash and cash equivalents at end of year			207,574		258,033

1 Accounting policies

Charity information

Child Dynamix is a private company limited by guarantee incorporated in England and Wales. The registered office is 95 Preston Road, Hull, East Yorkshire, HU9 3QB, United Kingdom.

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Accounting convention

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of unincorporated businesses over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill shall be considered to have a finite useful life, and shall be amortised on a systematic basis over its life.

1.7 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Business combinations	20% straight line
-----------------------	-------------------

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies**(Continued)****1.8 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% on cost
Leasehold land and buildings	over the period of the lease
Fixtures and fittings	50% on cost, 25% on cost and 20% on cost
Motor vehicles	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.9 Fixed asset investments

Fixed asset investments are measured at cost.

A subsidiary is an entity controlled by the charitable company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.10 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.11 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.13 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.14 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

2 Critical accounting estimates and judgements**(Continued)****Critical judgements****Useful life of fixed assets**

The charitable company estimates the useful economic lives of fixed assets based in the expected period of use of the asset in operating the charitable company.

Carrying value of freehold property

The charitable company owns one property and this is stated at cost with depreciation being charged based on the useful economic life of the asset. The trustees review the carrying value of the property on an annual basis, in light of the condition of the property and the operating performance of the nursery.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Donations and gifts	4,005	3,149

4 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Childcare						
Childcare	1,970,119	-	1,970,119	1,105,387	-	1,105,387
Commercial income	10,270	-	10,270	24,256	-	24,256
Youth, Sport & Play						
Commissioning Service	229,093	-	229,093	218,291	-	218,291
Grants	7,927	103,129	111,056	32,427	150,281	182,708
Childcare & Young People Activities						
Commissioning Service	242,441	-	242,441	275,698	-	275,698
Grants	-	13,990	13,990	-	14,988	14,988
	<u>2,459,850</u>	<u>117,119</u>	<u>2,576,969</u>	<u>1,656,059</u>	<u>165,269</u>	<u>1,821,328</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

4 Income from charitable activities

(Continued)

Performance related grants analysis

	Youth, Sport & Play	Childcare & Young People Activities	Total	Youth, Sport & Play	Childcare & Young People Activities	Total
	2025	2025	2025	2024	2024	2024
	£	£	£	£	£	£
Henry Smith	7,912	-	7,912	30,397	-	30,397
LSFH AHP	3,692	-	3,692	-	-	-
Whats your Game	-	-	-	8,945	-	8,945
Youth Dynamix	4,235	-	4,235	13,831	-	13,831
Sport Awards for All	-	-	-	9,652	-	9,652
Blue Influencer	-	13,990	13,990	-	-	-
PCC	19,962	-	19,962	-	-	-
NCS	75,255	-	75,255	119,883	-	119,883
Ernest Cook	-	-	-	-	14,988	14,988
Other	-	-	-	-	-	-
	<u>111,056</u>	<u>13,990</u>	<u>125,046</u>	<u>182,708</u>	<u>14,988</u>	<u>136,902</u>

5 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising events	<u>409</u>	<u>350</u>

6 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Other income	<u>5,000</u>	<u>5,000</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

7 Expenditure on charitable activities

	Childcare	Youth, Sport & Play	Childcare & Core support Young People Activities		Total
	2025	2025	2025	2025	2025
	£	£	£	£	£
Direct costs					
Staff costs	987,601	536,318	240,343	2,736	1,766,998
Depreciation and impairment	1,118	926	-	27,131	29,175
Rent of building	72,854	46,600	-	-	119,454
Rates and water	3,773	2,795	6,431	-	12,999
Insurance	-	-	1,622	17,603	19,225
Light and heat	26,866	11,626	6,551	-	45,043
Telephone and internet	7,416	2,239	7,461	160	17,276
Postage and stationery	8,161	3,396	4,788	887	17,232
Sundries	923	1,274	60	9,688	11,945
Food	12,116	-	-	-	12,116
Equipment	2,660	-	-	-	2,660
Computer expenses	3,686	864	-	20,167	24,717
Repairs and renewals	15,667	8,793	22,281	7,835	54,576
Cleaning and refuse	45,142	14,134	34,390	-	93,666
Training Courses and conferences	4,243	9,598	2,104	-	15,945
Other charitable expenditure	23,954	112,079	18,833	4,526	159,392
	<u>1,216,180</u>	<u>750,642</u>	<u>344,864</u>	<u>90,733</u>	<u>2,402,419</u>
Share of support and governance costs (see note 8)					
Support	-	-	-	149,664	149,664
Governance	-	-	-	33,526	33,526
	<u>1,216,180</u>	<u>750,642</u>	<u>344,864</u>	<u>273,923</u>	<u>2,585,609</u>
Analysis by fund					
Unrestricted funds	1,216,120	682,972	258,785	273,923	2,431,800
Restricted funds	60	67,670	86,079	-	153,809
	<u>1,216,180</u>	<u>750,642</u>	<u>344,864</u>	<u>273,923</u>	<u>2,585,609</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

7 Expenditure on charitable activities

(Continued)

Previous year:	Childcare	Youth, Sport & Play	Childcare & Core support Young People Activities		Total
	2024	2024	2024	2024	2024
	£	£	£	£	£
Direct costs					
Staff costs	825,211	143,882	228,201	-	1,197,294
Depreciation and impairment	1,032	1,660	1,813	27,983	32,488
Rent of building	65,898	3,000	-	-	68,898
Rates and water	3,390	1,230	5,074	-	9,694
Insurance	-	-	1,622	10,174	11,796
Light and heat	28,827	15,913	10,161	-	54,901
Telephone and internet	4,769	2,159	8,814	140	15,882
Postage and stationery	5,460	3,220	6,777	532	15,989
Sundries	1,149	1,063	76	10,644	12,932
Food	11,668	-	-	-	11,668
Computer expenses	2,160	864	-	19,255	22,279
Repairs and renewals	11,141	5,706	27,102	4,570	48,519
Cleaning and refuse	15,298	12,985	31,048	-	59,331
Training Courses and conferences	3,457	6,135	1,047	-	10,639
Other charitable expenditure	13,878	99,884	14,075	13,670	141,507
	993,338	297,701	335,810	86,968	1,713,817
Share of support and governance costs (see note 8)					
Support	-	-	-	190,824	190,824
Governance	-	-	-	43,698	43,698
	993,338	297,701	335,810	321,490	1,948,339
Analysis by fund					
Unrestricted funds	993,338	244,379	273,799	321,490	1,833,006
Restricted funds	-	53,322	62,011	-	115,333
	993,338	297,701	335,810	321,490	1,948,339

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

8 Support costs allocated to activities

	2025	2024
	£	£
Staff costs	133,064	190,824
Depreciation	16,600	-
Governance costs	33,526	43,698
	<u>183,190</u>	<u>234,522</u>
Analysed between:		
Core support	<u>183,190</u>	<u>234,522</u>

9 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	7,550	12,564
Depreciation of owned tangible fixed assets	29,175	32,488
Amortisation of intangible assets	16,600	-
	<u>53,325</u>	<u>45,052</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

11 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Administration	10	10
Managers	9	9
Other	66	46
	<u>85</u>	<u>65</u>
Total	<u>85</u>	<u>65</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

11 Employees (Continued)

Employment costs	2025	2024
	£	£
Wages and salaries	1,738,332	1,262,935
Social security costs	115,823	85,579
Other pension costs	55,744	39,604
	<u>1,909,899</u>	<u>1,388,118</u>

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

12 Other

	Unrestricted funds	Total
	2025	2024
		£
Financing costs	15,232	15,757
	<u>15,232</u>	<u>15,757</u>

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

14 Intangible fixed assets

	Goodwill	Business combinations	Total
	£	£	£
Cost			
At 1 April 2024	-	-	-
Additions - separately acquired	41,000	42,000	83,000
At 31 March 2025	41,000	42,000	83,000
Amortisation and impairment			
At 1 April 2024	-	-	-
Amortisation charged for the year	8,200	8,400	16,600
At 31 March 2025	8,200	8,400	16,600
Carrying amount			
At 31 March 2025	32,800	33,600	66,400
At 31 March 2024	-	-	-

15 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2024	351,480	394,114	302,029	38,426	1,086,049
Business combinations	-	-	2,000	-	2,000
At 31 March 2025	351,480	394,114	304,029	38,426	1,088,049
Depreciation and impairment					
At 1 April 2024	49,223	100,586	297,269	37,485	484,563
Depreciation charged in the year	7,032	17,147	4,760	236	29,175
At 31 March 2025	56,255	117,733	302,029	37,721	513,738
Carrying amount					
At 31 March 2025	295,225	276,381	2,000	705	574,311
At 31 March 2024	302,257	293,528	4,759	941	601,485

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

16 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2024 & 31 March 2025		10
		<u> </u>
Carrying amount		
At 31 March 2025		10
		<u> </u>
At 31 March 2024		10
		<u> </u>

		2025	2024
	Notes	£	£
Other investments comprise:			
Investments in subsidiaries	28	10	10
		<u> </u>	<u> </u>

17 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	20,614	20,337
Other debtors	9,837	20,000
Prepayments and accrued income	7,326	14,795
	<u> </u>	<u> </u>
	37,777	55,132
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

18 Loans and overdrafts

	2025	2024
	£	£
Bank loans	214,205	221,019
	<u> </u>	<u> </u>
Payable within one year	7,284	6,823
Payable after one year	206,921	214,196
	<u> </u>	<u> </u>
Amounts included above which fall due after five years:		
Payable by instalments	(172,107)	181,736
	<u> </u>	<u> </u>

The loan is secured against the property and is repayable over 25 years at an interest rate of 7%.

19 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Bank loans	18	7,284	6,823
Other creditors		5,136	5,483
Accruals and deferred income		44,531	51,500
		<u> </u>	<u> </u>
		56,951	63,806
		<u> </u>	<u> </u>

20 Creditors: amounts falling due after more than one year

	Notes	2025	2024
		£	£
Bank loans	18	206,921	214,196
		<u> </u>	<u> </u>

21 Retirement benefit schemes

	2025	2024
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	55,744	39,604
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

21 Retirement benefit schemes**(Continued)**

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

22 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Henry Smith Fund	-	7,912	(20,807)	12,895	-
Ernest Cook	4,707	-	-	-	4,707
National Citizenship Service	50,931	75,255	(114,080)	-	12,106
Police & Crime Commissioner	-	19,962	(18,922)	-	1,040
Blue Influencer	-	13,990	-	-	13,990
	<u>55,638</u>	<u>117,119</u>	<u>(153,809)</u>	<u>12,895</u>	<u>31,843</u>

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Sleep Easy	2,748	-	-	(2,748)	-
Children in Need	2,978	-	-	(2,978)	-
Henry Smith Fund	-	30,397	(33,530)	3,133	-
Hut +	30,857	-	(260)	(30,597)	-
The Sylvia Adams Charitable Trust	-	-	(65)	65	-
Postcode Community Trust	696	-	-	(696)	-
Ernest Cook	2,244	14,988	(12,525)	-	4,707
National Citizenship Service	-	119,884	(68,953)	-	50,931
	<u>39,523</u>	<u>165,269</u>	<u>115,333</u>	<u>(33,821)</u>	<u>55,638</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

22 Restricted funds**(Continued)**

Henry Smith Fund - This is funding enabling us to continue our 'Bump to Baby and Beyond' project that supports families at the very earliest opportunity engaging with parents in the third trimester of pregnancy. The project offers intensive support to ensure parents are well prepared for their parenting journey.

Hut+ - This is funding was obtained to extend and refurbish our youth centre on the Preston Road Estate. As the funding has been fully expensed the balance on the fund has been transferred to unrestricted reserves.

National Citizenship Service - This is funding enabling us to deliver our 'META' programme. The programme is for young people aged 16 & 17 who are not in employment, education or training and aim to raise confidence, aspiration and ultimately support young people onto their next steps. We are in a partnership with Rewilding Youth (CIC) and Probe Limited to deliver this work.

Funding from Ernest Cook along with a grant from the Police and Crime Commissioners Community Safety Fund allows us to employ a full time Nature Ranger. Ernest Cook fund the 'Blue Influencer' element of the role, the Blue Influencer will work with young people aged 10 – 14 years old, in schools and youth centres across Hull. The scheme helps young people impact the environment through social action projects that benefit their communities, whilst helping them to create lasting and meaningful connection to nature. The Community Safety Fund allows our Nature Ranger to offer sessions to young people aged 8 – 13 years, engaging them in environmental projects which aim to engage young people into centre based activities at an earlier age leading to better relationships and sustained engagement through adolescence.

23 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
General funds	581,020	2,469,264	(2,447,032)	(12,895)	590,357
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	731,404	1,664,558	(1,848,763)	33,821	581,020
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

24 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Intangible fixed assets	66,400	-	66,400
Tangible assets	574,311	-	574,311
Investments	10	-	10
Current assets/(liabilities)	156,557	31,843	188,400
Long term liabilities	(206,921)	-	(206,921)
	<u>590,357</u>	<u>31,843</u>	<u>622,200</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	601,485	-	601,485
Investments	10	-	10
Current assets/(liabilities)	193,721	55,638	249,359
Long term liabilities	(214,196)	-	(214,196)
	<u>581,020</u>	<u>55,638</u>	<u>636,658</u>

25 Operating lease commitments

Lessee

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	63,000	3,000
Between two and five years	142,600	15,000
In over five years	21,000	24,000
	<u>226,600</u>	<u>42,000</u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

26 Capital commitments	2025	2024
	£	£
Amounts contracted for but not provided in the financial statements:		
	2025	2024
	£	£
Acquisition of property, plant and equipment	-	2,000
Acquisition of intangible assets	-	83,000
	<u>-</u>	<u>85,000</u>
	<u>-</u>	<u>85,000</u>

The charity has purchased the assets of Rainbow Nursery (Hull) Limited for a total consideration of £85,000. The purchase completed on 2 April 2024.

27 Related party transactions

There were no disclosable related party transactions during the year (2024 - none).

28 Subsidiaries

Details of the charitable company's subsidiaries at 31 March 2025 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Child Dynamix Trading Limited	95 Preston Road, Sale of donated goods Hull, East Yorkshire, HU9 3QB		Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Child Dynamix Trading Limited	-	(24,835)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

28 Subsidiaries

(Continued)

The intention was that the subsidiary gift aided its profits to the charity. The subsidiary has however suffered losses and has not made any gift aid payments to the charity.

The results of the subsidiary are not consolidated within these financial statements as the subsidiary is dormant and the results are considered to be immaterial.

29 Cash generated from operations	2025 £	2024 £
Deficit for the year	(14,458)	(134,269)
Adjustments for:		
Amortisation and impairment of intangible assets	16,600	-
Depreciation and impairment of tangible fixed assets	29,175	32,488
Movements in working capital:		
Decrease/(increase) in debtors	17,355	(31,979)
(Decrease)/increase in creditors	(7,317)	10,325
Cash generated from/(absorbed by) operations	41,355	(123,435)

30 Analysis of changes in net debt

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	258,033	(50,459)	207,574
Loans falling due within one year	(6,823)	(461)	(7,284)
Loans falling due after more than one year	(214,196)	7,275	(206,921)
	<u>37,014</u>	<u>(43,645)</u>	<u>(6,631)</u>

Accounts

Charity Registration No. 1109642

Company Registration No. 05389477 (England and Wales)

CHILD DYNAMIX

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024



72 Lairgate
Beverley
East Yorkshire
United Kingdom
HU17 8EU

	Page
Company information	1
Trustees' report	2 - 12
Statement of trustees' responsibilities	13
Independent auditor's report	14 - 17
Statement of financial activities	18
Balance sheet	19
Statement of cash flows	20
Notes to the financial statements	21 - 38

CHILD DYNAMIX

COMPANY INFORMATION

Trustees	J Boyd	
	B A Bradley	
	Mr S B Ford	(Appointed 26 September 2024)
	G E Coyle	(Appointed 22 October 2024)
Senior management	L Darnell	Head of HR and Finance
	N Clark	Head of childcare
	A Wheal	Children & family services manager
Charity number	1109642	
Company number	05389477	
Registered office	95 Preston Road Hull East Yorkshire United Kingdom HU9 3QB	
Auditor	TC Group 72 Lairgate Beverley East Yorkshire United Kingdom HU17 8EU	
Solicitors	Rollits LLP Citadel House 58 High Street Hull East Yorkshire United Kingdom HU1 1QE	

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2024. The trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charitable company's governing document, the Companies Act 2006 and "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 (FRS 102)" (effective 1 January 2019).

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Objectives and activities

Objectives and aims

The Objects for which the Company is established are to promote social regeneration by providing relief in particular but not exclusively to children, young people and their families who are resident or employed across the Humber Sub-Region who have need because of age, mental or physical disability, poverty or addiction. In particular, but not so as to limit the generality of the foregoing, to provide combinations of early years' education, play work, youth work, community sports, family support and health advice, learning and employment services.

The vision and purpose

Our vision is: Communities where children and young people thrive.

Our purpose is: To create environments and deliver activities which enable children and young people to identify and realise both their aspirations and their potential.

How our activities deliver public benefit:

Our main activities are described below and focus on the objectives for which Child Dynamix was created in 2005, including changes to these objectives in 2014. The services provided to children, young people and their families are for the most part free and all are open and accessible to all. Where there are fees to be charged there are opportunities for those unable to afford these fees to access the service via other funding streams i.e., local authority/social services, two-year-old funding and early years education grants. In addition to this, the charity receives pupil premium for children in need within its Childcare settings. The trustees considered the Charity Commissions guidance on public benefit when planning and developing the charity's activities at all its meetings. For specific activities, funding is sought in partnership with the young person or group to enable them to achieve their aspirations. The Corporate Social Responsibility policy is embedded across the charity and explains the way in which the charity supports other small community organisations and takes a responsible approach to the environment.

Who used and benefited from our services:

Community Day Nurseries:

Child Dynamix has three day nurseries, two in East Hull (CDCN Preston Road and CDCN Savoy Road) and one in West Hull (CDCN Boulevard). We know our day nurseries play a critical role in the learning and development of the youngest children and we aim to offer the finest provision by providing stimulating learning environments for the children who attend. We also know the importance of quality day care to enable families to access employment and learning opportunities. We aim to provide a flexible approach to meet the needs of children and their families.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Our nursery teams regularly monitor and assess children's learning and development to ensure we offer an early intervention and provide the right level of support to all our children and their families. Analysis of those assessments demonstrates increasing concern of children's communication and how this can impact their learning. In response, we have implemented several approaches including Stories for Talking, and increased staff training in communication strategies to help address this issue, in particular to support children whilst waiting for a specialist service.

Recruiting staff during this past 12 months has been a significant challenge that has affected all three settings. We had relied heavily on agency staff to maintain our legal adult to child numbers throughout the year. The recruitment of nursery practitioners is a national crisis and proving to be an ongoing issue for the profession. We are pleased to see the Governments increased focus on early years including broadening the eligibility for free childcare, however, the issues around recruitment, retention and qualifications for practitioners creates concerns as to how the increased demand can be met.

We are currently offering as many opportunities for student placements as possible in a hope this will help ease our recruitment issues by being able to recruit them once they qualify to our teams. We continue to offer placement opportunities for students from the local colleges including the T-Level and transition T-Level Programme in Education and Childcare. We have successfully recruited other apprentices who will complete their Early Years Qualification whilst working on the job. We want to continue to develop and encourage more people to enter the profession and it is our intention to offer apprenticeships on a rolling basis. We want to see closer working relationships with all providers in the coming months to support the Early Years Sector. 4 staff are currently working towards the National Professional Qualification in Early Years leadership (NPQEYL) and will sit an assessment for this award in October 2024.

During this financial year we received grants from the Ward Budget and Crime prevention budget for the St Andrews ward to install new security shutters at the Boulevard site.

Across April 2023 – March 2024, there were **322** children on roll across our nurseries. Of those 322 children, 25 were receiving additional support funding, with a further 41 children experiencing some other learning difficulty or development delay. This means 20% of children attending our settings had some kind of special educational need or disability. We supported 35 families to access 30-hour funding, enabling them to increase childcare to meet their needs.

Children and Family Services:

Children and Family Services consists of two key and consistent elements; Little Stars Children Centre, which had recently been rebranded into Little Stars Family Hub, and our Youth Service based at The Hut Youth Centre. Both of these services are part of Hulls Early Help offer to support Children, Young People and their Families and deliver a range of services and support. We also have various additional projects that enhance this key delivery and over the course of this year has included Bump to Baby and Beyond and our National Citizenship Service funded project that supports young people into employment, education or training.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Little Stars Family Hub sits in the Early Help provision within the East Locality in the city of Hull. The team provides targeted family support and a range of services for local families including parenting support, understanding children's behaviour with courses to help with parenting, child safety, infant feeding, budgeting, cooking and providing healthy meals, help to access early education funded nursery places and promoting parents understanding of early childhood development. The team provides regular stay and play sessions, creating a language-rich and stimulating environment in which children and their parents/carers can come together. The nature of the service means team members work closely with professionals from other agencies including schools and children's social care, as well as local charities and voluntary organisations. This approach ensures children and families receive the level of support they need to make lasting change and get the help they need quickly. 2023 saw Children Centres across the city transformed and relaunched as Family Hub, Family Hubs have a focus on the child's first 1001 days, infant mental health and the parent/infant relationship.

Bump to Baby and Beyond enhances the Family Hub offer. The project is now in its sixth year, it was originally funded through the Sylvia Adams Charitable Trust and is currently funded by Henry Smith Charitable Trust. The project provides a member of staff dedicated to supporting expectant mothers and their families until the baby is 18 months old. The project aims to work with 20 families per year.

Our **Youth Service** is commissioned by Hull City Council and is delivered in partnership with Maximum Life Youth Project, and St. Stephens Neighbourhood Centre. The partnership delivers across East Hull using venues in Preston Road, Greatfield, Ings and Longhill Estate. The Child Dynamix Youth team work from **The Hut Youth Centre** where we provide a range of services for the community and young people and continue to utilise the fantastic facilities the building offers. The teaching kitchen with rise and fall worktops and accessible cooker, IT suite, dance and craft rooms have been used for individual and group sessions by the team, and by local groups who hire the spaces to deliver their projects. More broadly, the youth team provide a range of services including one to one support, small group work and larger sessions with as many as 40 young people on a Friday night. The team provides a range of activities for young people including music, sport, cooking, arts and crafts, and participates in annual events such as the Humber Night Challenge and Lifestyle. The team sourced additional funds to support its delivery from: Clarion Futures, Humberside PCC and Street Games. The team extend their delivery to other community venues including Eastmount Recreation Centre, Shelley Avenue Sports Pavilion and local parks and green spaces.

After the success of our Green Influencer scheme, from 2024 Child Dynamix will host a Blue Mentor to develop our **Blue Influencer** scheme. The scheme aims to remove barriers to accessing the outdoors, whilst helping young people create deep, lasting and meaningful connections to the natural environment via their local coasts and rivers by giving them a voice to make change in their community. The scheme is funded by the Ernest Cook Trust and allows us to work with children, aged 10 to 14 years old, from youth centres and schools across Hull.

With funding from NCS (National Citizenship Service) we formed a partnership with Rewilding Youth and Probe Hull to offer a series of 12 week programmes full of exciting experiences and opportunities to support 16 and 17 year olds in their journey back into a form of Education, Employment or Training that suits them. The project supports young people to build in confidence, get on the right track to achieve their aspirations and recognise their own potential. This has been a great addition to our existing youth offer and allows us to work with young people from across Hull.

Across April 2023 – March 2024 the Children and Family services teams worked with **2298** children and young people and **1167** adults.

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Surveys and feedback

We regularly carry out stakeholder surveys, evaluations and seek feedback to help us understand the impact the charity has had,

Surveys and feedback – day nurseries

Our day nurseries conduct an annual Parent Satisfaction Survey to help shape our nursery offer and ensure we continue to meet the needs of our local families.

These are some comments received through the survey from parents:

Child Dynamix Community Nursery Savoy Road:

"All the nursery staff are lovely and friendly. I feel my child is well looked after and is happy within the setting. As a full time medical student I don't get to do a lot of drop offs or pickups and I'm constantly kept updated about his day which I really appreciate"

"Really supportive staff when we've needed the support. Updated on Parenta. Children always come out telling me they've done a variety of activities throughout the week"

"I feel we have always been supported by the nursery, from his very first session. I'm so proud of the kind intelligent little boy I have and it's not without the help of the nursery and the practitioners that guide him and teach him. He has a passion for learning, and the nursery has supported this massively. I cannot thank the team enough"

Nursery parent feedback – Parent Satisfaction Survey – Child Dynamix Community Nursery Savoy Road

Child Dynamix Community Nursery Preston Road:

"My child is happy and settled in nursery. They enjoy each day. I am confident in the staff there. They are very helpful and supportive. The communication is great"

"Very friendly place, the team is extremely helpful."

"The level of support that me and my child are given is outstanding. My child has come on leaps and bounds during his duration at the nursery and I have nothing but amazing things to say about all members of staff."

Nursery parent feedback – Parent Satisfaction Survey – Child Dynamix Community Nursery Preston Road

Child Dynamix Community Nursery Boulevard:

"D really enjoys nursery. I find all the staff professional and kind. I can tell nursery has had a positive influence on her development"

"I am a very anxious parent, but the staff have gone out their way to support me and I through her big transition to nursery. Thank you very much"

"The nursery is safe and welcoming. The staff have excellent relationships with the children and cater to their needs, my daughter is able to communicate extremely well but she has some big emotions and I feel like the staff fully understand and support her. I always feel welcome and nothing it ever two much trouble. My daughter is hitting all her milestones and her learning is coming on leaps and bounds and a lot of this falls down to the amazing staff and management."

Nursery parent feedback – Parent Satisfaction Survey – Child Dynamix Community Nursery Boulevard

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Surveys and feedback – youth services

Young people provide feedback through annual surveys, at the end of a project or one to one support, and perhaps most regular in conversations as part of the activities they are involved with providing in the moment views and opinions. The youth team apply each year for the Investing in Children Award. The award gives national recognition for actively including children and young people in dialogue that results in change. Here is some of the feedback gained through the assessment:

"When we talk to them about something they always listen and do what they can".

"It's helping me".

"I went to Paul and I said that I needed to talk and Paul suggested getting 1:1 support".

"Caring!"

"Something to do".

"They look after us".

"They make sure they do everything they can to help us".

Lifestyle Project

"We've enjoyed everything about this project, especially the painting and planting. We wanted to make a nice garden where people can plant and grow flowers and vegetables and fruit. We made a plan to make sure that even people in wheelchairs can get involved too"

"It made us really excited to get donations of plants and seeds to help our project and it made us feel really supported. Now it's finished we will continue to look after it – thank you for this experience"

Garden Rescuers Lifestyle Award 2023

Surveys and feedback – family support

There are a number of ways in which our children, parents and their wider family members share their views of services delivered by the Family Support team. This includes comments and feedback given directly to a member of staff, through surveys or evaluations at the end of a programme or course, social media and through activities they have participated in.

"Your summer trips are great. I wouldn't be able to take the children on a beach trip if you didn't arrange it and support me."

"Good range of things to do both indoors and outdoors"

"All organised for us great day out Plus with friends from session"

Feedback from a parent that attended a summer trip (2023)

"Attending this session and having a support network has helped me to breastfeed for longer, I would have given up without support"

Feedback breastfeeding support group

"Our little one loved it today – thank you."

Comment from Facebook about the sensory room at Little Stars Family Hub.

"Reception staff and friendly and welcoming"

Taken from Mystery Shopper Report

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Volunteering at Child Dynamix:

Since the end of the Parent Mentor Project, the number of hours volunteers have offered has significantly reduced. We have seen fewer people coming forward to volunteer mirroring issues across the city. However, we have seen areas of volunteering grow over the year including in our Youth Service. We recognise that some people are not ready for a regular volunteering commitment. We have looked to identify more ways to *lend a hand* in the hope of engaging our service users and developing grassroots opportunities into something more regular and formal. We recognise the benefits both for the individual and to Child Dynamix in offering regular volunteering opportunities. This year volunteers offered over 100 hours of their time.

Charity events and fundraising:

Following on from the success of 2022 the charity entered the Hull 10k and Hull Half marathon again in 2023. We had 22 runners taking part across both events, with people from the local community and our charity friends and local business Spectrum IT.

Rix and Spectrum IT returned as event sponsors, and new this year another Hull business - Scribes Design and Print, each securing a logo on the Child Dynamix shirts which are provided as an incentive to the runners. The event raised over £600.

In December, we held our annual staff away day aiming to bring our teams together to celebrate our work and have some relaxed time together. The previous year saw us reignite our staff awards highlighting the hard work and dedication of employees across the charity. This year we focussed on length of service and commitment to the charity. With over 50% of the workforce having 5 or more years of service it was a real celebration of the commitment we see from our employees.

Investment performance

Under the Articles of Association, the charity has the power to invest in any way the trustees wish.

Financial review

It has been an extremely challenging year with the cost-of-living crisis affecting all our services specifically in terms of utility and food increases.

All nurseries have had recruitment issues over this period resulting in the need to use agency staff, with Boulevard nursery being particularly difficult to recruit to. This means we have had exceptional costs related to agency staff to ensure we met legal requirements for our adult to child ratios. Overall, the nurseries made a surplus, although lower than projected.

We have carefully managed the financial year, with additional unrestricted funds and reduction of other costs leading to a closing balance almost as predicted at the start of the year.

Reserves policy

Child Dynamix's reserves stand at £636,658 of this figure £581,020 are unrestricted reserves and £55,638 are restricted reserves. A breakdown of the £55,8638 restricted fund balances carried forward is shown in note 21 on page 34.

The Trustees of Child Dynamix aim to secure a cash reserve of £230,000, which represents 40% of the Charity's average turnover (10 years). Close monitoring of the reserves is essential in helping us meet the demands of our strategic plan over the next three to five years. The target reserves amount of £230,000 has been calculated based on continuity planning, taking account of the Charity's liabilities. This reserve also provides the Charity's cash flow.

First and foremost, the Charity needs reserves to provide working capital to support its day-to-day operations, which is vital when waiting for invoices to be paid. Some contracts can be paid in arrears, leaving the Charity to cover general revenue costs for up to two months. Furthermore, many new funding streams are issued on a payment by results basis, which might split funding by as much as 50% which also then requires the Charity to hold funds to cover the full costs until final payment is made. The Charity Trustees would also consider proposals from the Charity's Officers to create seed funding for development of new vital services, and finally the Trustees may be asked to consider extending individual or team contracts for interim periods of no more than 3 months to bridge gaps where new funding has been secured but a gap is created between funding streams.

The Trustees have provision for the appointment of a Finance Trustee who, within the Articles of Association (reviewed 2022) has responsibility for monitoring and reviewing the agreed steps the charity has taken to establish and/or maintain the reserves and for any proposals for using reserves. The responsibility, should the Charity face closure, will impact on the whole Trustee group, including the Finance Trustee, who would work with the Chief Executive Officer and senior leadership team.

The level of reserves which has been set by the Trustees (see above) is, where possible, grown through our Social Enterprise activities, which have three-to-five-year financial plans. The reserves development and maintenance form part of the general management accounting the Charity undertakes weekly, monthly and quarterly at differing levels. The Head of Finance and Human Resources creates "actual to projected" reports on a quarterly basis to the Finance committee and then on to the Board.

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Future plans

As a social regeneration charity, Child Dynamix recognises the importance of the whole family in relation to the outcomes for children and young people. Our themes of work - early years and childcare, family support and services for children and young people - offer both universal and targeted support. Levels and intensity of support differ depending on the presenting needs, but we recognise the many strengths children, young people and their families have. We see these as a positive starting point to enable people to make long lasting change with support from our staff and volunteers.

We were pleased to see Government focus on early years and education in the 2023 Spring Budget, a recognition at least that reform is needed. We are clear that Child Dynamix has significant knowledge and skill in providing childcare and education and see childcare as an area of growth in the coming period. To do so, we must address the challenges in recruitment and retention and are working closely with Hull Training and Adult Education, alongside other providers to address issues in the early years workforce.

We continue to grapple with the reducing number of grants to apply to and the increasing competition for the remaining opportunities. It is a real challenge to find funds which reflect the work Child Dynamix delivers to meet the needs of our service users and local communities. Our focus in the coming year will be on expanding our family support, play and sport services.

Structure, governance and management

Governing document

The Charity is controlled by its governing document, a deed of trust, and constitutes a company limited by guarantee, as defined by the Companies Act 2006.

The company was incorporated on 11th March 2005.

The trustees, who are also the directors for the purpose of company law, who served during the year and up to the date of signature of the financial statements were:

J Boyd

B A Bradley

G E Coyle (Resigned 20 August 2024)

P D Duffield (Resigned 31 May 2023)

P M Perera (Resigned 31 January 2024)

K Sturdy (Resigned 31 January 2024)

Mrs S Scott (Appointed 15 November 2023 and resigned 31 January 2024)

Mr G J Morgan (Appointed 1 November 2023 and resigned 30 June 2024)

Mr S B Ford (Appointed 26 September 2024)

G E Coyle (Appointed 22 October 2024)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

Recruitment and appointment of new trustees

The Trustees shall have power at any time to appoint any person to be a Trustee but so that the total number of Trustees shall not exceed the number determined under Article 34. Every Trustee shall be appointed for a term of three years unless agreed otherwise by the Trustees at the time of their appointment. A Trustee due to retire may, with the approval of a majority of the Trustees, stand for re-appointment for a second term so that Trustees may, if re-appointed, serve two consecutive terms. The Trustees may resolve by majority that because of exceptional circumstances a Trustee may hold office for a third term. The Trustees may resolve by majority that because of exceptional circumstances a Trustee may hold office for such further terms that are deemed to be in the Charity's best interests. The Trustees may make such rules pursuant to these Articles as they see fit from time to time with regard to the procedure for the appointment and reappointment of Trustees pursuant to this Article.

Governance Structure

The Trustees held five meetings during 2023 – 2024, including the annual general meeting in September. The board has delegated the day-to-day operations to the Senior Management Team made up of the CEO, the Head of Finance & HR, the Head of Childcare and the Children & Family Services Manager. These job roles are externally reviewed, evaluated and benchmarked to similar sector positions.

During the year, a review of the governance structure resulted in a change to the quarterly committees. A HR and Finance committee is now held prior to full board which all Trustees are invited. A further meeting, namely Planning and Performance is planned quarterly with department managers to which Trustees are invited to attend and replaces the former HR & Scrutiny Committee.

- Child Dynamix Trading Ltd: (wholly owned trading subsidiary)
 - Mr Bryan Bradley Director

The Health and Safety internal audit of each of the charity's premises took place from March to May 2022. In response to the shift to *living with Covid*, Health and Safety practices were reviewed throughout the year in response to national and local guidance and restrictions.

Induction and training of new trustees

The charity has a comprehensive induction pack for new Trustees (The Trustee Handbook). This Handbook includes role descriptions, conflict of interest, and code of conduct, the Articles and policies including finance and reserves. All Trustees of the charity complete the volunteer recruitment process, which includes a DBS enhanced check and undertake safeguarding training. Induction meetings are held with the Chief Executive and/or Chair of the Board prior to the first Board meeting attended. Trustees are encouraged to attend seminars and conferences on Charity law and governance issues when they are able. Information from these events is shared at subsequent board meetings.

Risk management

Child Dynamix holds a risk register; the register considers financial, reputational and operational risks to the charity and is agreed with the Board annually. The charity has systems and controls in place to manage the exposure to its significant risks. The risk register is referred to and updated if required in each Board meeting. In addition to this, the charity uses risk analysis at a project and service level.

Auditor

The auditor, TC Group, will be proposed for re-appointment at the forthcoming Annual General Meeting.

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees' report was approved by the Board of Trustees.

B A Bradley

Trustee

Dated: 10 December 2024

CHILD DYNAMIX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The Trustees, who are also the directors of Child Dynamix for the purpose of company law, are responsible for preparing the 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 which 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 the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Opinion

We have audited the financial statements of Child Dynamix (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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 course of 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.

CHILD DYNAMIX

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

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 purpose of company law, are responsible for the preparation of the financial statements and 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.

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.

Auditor's responsibilities for the audit of the financial statements

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

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 an auditor's report 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

CHILD DYNAMIX

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website as: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditors' report.

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Todd FCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor

Office: Beverley

12 December 2024

TC Group is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

CHILD DYNAMIX

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
Income and endowments from:							
Donations and legacies	3	3,149	-	3,149	4,426	-	4,426
Charitable activities	4	1,656,059	165,269	1,821,328	1,564,615	95,741	1,660,356
Other trading activities	5	350	-	350	432	-	432
Other income	6	5,000	-	5,000	5,000	-	5,000
Total income		<u>1,664,558</u>	<u>165,269</u>	<u>1,829,827</u>	<u>1,574,473</u>	<u>95,741</u>	<u>1,670,214</u>
Expenditure on:							
Charitable activities	7	1,833,006	115,333	1,948,339	1,648,965	109,639	1,758,604
Other expenditure	12	15,757	-	15,757	14,302	-	14,302
Total expenditure		<u>1,848,763</u>	<u>115,333</u>	<u>1,964,096</u>	<u>1,663,267</u>	<u>109,639</u>	<u>1,772,906</u>
Net income/(expenditure)		(184,205)	49,936	(134,269)	(88,794)	(13,898)	(102,692)
Transfers between funds		33,821	(33,821)	-	(2,239)	2,239	-
Net movement in funds	9	(150,384)	16,115	(134,269)	(91,033)	(11,659)	(102,692)
Reconciliation of funds:							
Fund balances at 1 April 2023		731,404	39,523	770,927	822,437	51,182	873,619
Fund balances at 31 March 2024		<u>581,020</u>	<u>55,638</u>	<u>636,658</u>	<u>731,404</u>	<u>39,523</u>	<u>770,927</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

CHILD DYNAMIX

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Tangible assets	14	601,485		633,973	
Investments	15	10		10	
		<u>601,495</u>		<u>633,983</u>	
Current assets					
Debtors	16	55,132		23,153	
Cash at bank and in hand		258,033		387,759	
		<u>313,165</u>		<u>410,912</u>	
Creditors: amounts falling due within one year	18	(63,806)		(52,961)	
Net current assets		<u>249,359</u>		<u>357,951</u>	
Total assets less current liabilities		<u>850,854</u>		<u>991,934</u>	
Creditors: amounts falling due after more than one year	19	(214,196)		(221,007)	
Net assets		<u><u>636,658</u></u>		<u><u>770,927</u></u>	
Income funds					
Restricted funds	21	55,638		39,523	
Unrestricted funds		581,020		731,404	
		<u><u>636,658</u></u>		<u><u>770,927</u></u>	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 10 December 2024

B A Bradley
Trustee

Company Registration No. 05389477

CHILD DYNAMIX

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

		2024		2023	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	28	(123,435)		(105,835)	
Net cash used in investing activities			-		-
Financing activities					
Repayment of bank loans		(6,291)		(5,908)	
Net cash used in financing activities		(6,291)		(5,908)	
Net decrease in cash and cash equivalents		(129,726)		(111,743)	
Cash and cash equivalents at beginning of year		387,759		499,502	
Cash and cash equivalents at end of year		258,033		387,759	

1 Accounting policies

Charity information

Child Dynamix is a private company limited by guarantee incorporated in England and Wales. The registered office is 95 Preston Road, Hull, East Yorkshire, HU9 3QB, United Kingdom.

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Accounting convention

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Income

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies**(Continued)**

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% on cost
Leasehold land and buildings	over the period of the lease
Fixtures and fittings	50% on cost, 25% on cost and 20% on cost
Motor vehicles	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Fixed asset investments

Fixed asset investments are measured at cost.

A subsidiary is an entity controlled by the charitable company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies**(Continued)****1.9 Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

1 Accounting policies**(Continued)****1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements**Useful life of fixed assets**

The charitable company estimates the useful economic lives of fixed assets based in the expected period of use of the asset in operating the charitable company.

Carrying value of freehold property

The charitable company owns one property and this is stated at cost with depreciation being charged based on the useful economic life of the asset. The trustees review the carrying value of the property on an annual basis, in light of the condition of the property and the operating performance of the nursery.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Donations and gifts	3,149	4,426

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

4 Charitable activities

	Childcare	Youth, Sport and Play	Children & Young People activities	Total 2024	Total 2023
	2024	2024	2024		
	£	£	£	£	£
Childcare	1,105,387	-	-	1,105,387	1,043,611
Commissioning services	-	218,291	275,698	493,989	460,664
Grants	-	182,708	14,988	197,696	124,199
Commercial income	24,256	-	-	24,256	31,882
	<u>1,129,643</u>	<u>400,999</u>	<u>290,686</u>	<u>1,821,328</u>	<u>1,660,356</u>
Analysis by fund					
Unrestricted funds	1,129,643	250,718	275,698	1,656,059	1,564,615
Restricted funds	-	150,281	14,988	165,269	95,741
	<u>1,129,643</u>	<u>400,999</u>	<u>290,686</u>	<u>1,821,328</u>	<u>1,660,356</u>
For the year ended 31 March 2023					
Unrestricted funds	1,075,493	263,169	225,953		1,564,615
Restricted funds	-	72,178	23,563		95,741
	<u>1,075,493</u>	<u>335,347</u>	<u>249,516</u>		<u>1,660,356</u>

CHILD DYNAMIX**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2024****4 Charitable activities****(Continued)****Grants Received included in the above are as follows:**

Henry Smith	-	30,397	-	30,397	29,939
Erasmus	-	-	-	-	23,572
Whats your Game	-	8,945	-	8,945	34,499
Youth Music	-	-	-	-	3,477
Youth Dynamix	-	13,831	-	13,831	19,410
Sport Awards for All	-	9,652	-	9,652	3,006
Two Ridings	-	-	-	-	1,983
East Riding Charitable Trust	-	-	-	-	2,500
NCS	-	119,883	-	119,883	2,000
Ernest Cook	-	-	14,988	14,988	15,938
Other	-	-	-	-	72,829
	-	182,708	14,988	197,696	124,199

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

5 Income from other trading activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Fundraising events	350	432
	<u> </u>	<u> </u>

6 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Other income	5,000	5,000
	<u> </u>	<u> </u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Charitable activities

	Childcare	Youth, Sport and Play	Children & Core support Young People activities		Total 2024	Total 2023
	2024	2024	2024	2024		
	£	£	£	£	£	£
Staff costs	825,761	143,882	228,201	190,275	1,388,119	1,194,367
Depreciation and impairment	1,032	1,660	1,813	27,983	32,488	34,897
Rent of building	65,897	3,000	-	-	68,897	68,738
Rates and water	3,390	1,230	5,074	-	9,694	9,235
Insurance	-	-	1,622	10,174	11,796	10,038
Light and heat	28,827	15,913	10,161	-	54,901	36,325
Telephone and internet	4,769	2,159	8,814	140	15,882	12,371
Postage and stationery	5,460	3,220	6,777	532	15,989	14,483
Sundries	1,149	1,063	76	10,644	12,932	15,181
Food	11,668	-	-	-	11,668	10,477
Equipment	-	-	-	-	-	390
Computer expenses	2,160	864	-	19,255	22,279	22,959
Repairs and renewals	11,141	5,706	27,102	4,570	48,519	46,241
Cleaning and refuse	15,298	12,985	31,048	-	59,331	55,392
Training	-	-	-	-	-	88,864
Courses and conferences	3,457	6,135	1,047	-	10,639	1,546
Other charitable expenditure	13,878	99,884	14,075	13,670	141,507	116,310
	993,887	297,701	335,810	277,243	1,904,641	1,737,814
Share of support costs (see note 8)	660	-	-	30,474	31,134	13,070
Share of governance costs (see note 8)	-	-	-	12,564	12,564	7,720
	994,547	297,701	335,810	320,281	1,948,339	1,758,604
Analysis by fund						
Unrestricted funds	994,547	244,379	273,799	320,281	1,833,006	1,648,965
Restricted funds	-	53,322	62,011	-	115,333	109,639
	994,547	297,701	335,810	320,281	1,948,339	1,758,604

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

7 Charitable activities (Continued)

For the year ended 31 March 2023

Unrestricted funds	884,019	230,663	237,517	296,766	1,648,965
Restricted funds	-	58,169	51,470	-	109,639
	<u>884,019</u>	<u>288,832</u>	<u>288,987</u>	<u>296,766</u>	<u>1,758,604</u>

8 Support costs allocated to activities

	2024 £	2023 £
Legal fees	30,474	12,410
Management and administration	660	660
Governance costs	12,564	7,720
	<u>43,698</u>	<u>20,790</u>
Analysed between:		
Childcare	660	660
Children and young people activities	43,038	20,130
	<u>43,698</u>	<u>20,790</u>

9 Net movement in funds

	2024 £	2023 £
--	-----------	-----------

The net movement in funds is stated after charging/(crediting):

Fees payable for the audit of the charity's financial statements	12,564	7,720
Depreciation of owned tangible fixed assets	32,488	34,897
	<u>45,052</u>	<u>42,617</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2022 nor for the year ended 31st March 2021.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

11 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Administration	10	10
Managers	9	9
Other	46	42
Total	65	61

Employment costs	2024	2023
	£	£
Wages and salaries	1,262,936	1,080,279
Social security costs	85,579	78,369
Other pension costs	39,604	35,719
	1,388,119	1,194,367

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

12 Other

	Unrestricted funds	Total
	2024	2023
		£
Financing costs	15,757	14,302
	15,757	14,302

13 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

14 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2023	351,480	394,114	302,029	38,426	1,086,049
At 31 March 2024	351,480	394,114	302,029	38,426	1,086,049
Depreciation and impairment					
At 1 April 2023	42,191	83,442	289,272	37,171	452,076
Depreciation charged in the year	7,032	17,144	7,998	314	32,488
At 31 March 2024	49,223	100,586	297,270	37,485	484,564
Carrying amount					
At 31 March 2024	302,257	293,528	4,759	941	601,485
At 31 March 2023	309,289	310,672	12,757	1,255	633,973

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

15 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2023 & 31 March 2024		10
		<u> </u>
Carrying amount		
At 31 March 2024		10
		<u> </u>
At 31 March 2023		10
		<u> </u>

		2024	2023
	Notes	£	£
Other investments comprise:			
Investments in subsidiaries	27	10	10
		<u> </u>	<u> </u>

16 Debtors

	2024	2023
Amounts falling due within one year:	£	£
Trade debtors	20,337	19,262
Other debtors	20,000	-
Prepayments and accrued income	14,795	3,891
	<u> </u>	<u> </u>
	55,132	23,153
	<u> </u>	<u> </u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

17 Loans and overdrafts

	2024	2023
	£	£
Bank loans	221,019	227,310
	<u> </u>	<u> </u>
Payable within one year	6,823	6,303
Payable after one year	214,196	221,007
	<u> </u>	<u> </u>
Amounts included above which fall due after five years:		
Payable by instalments	181,736	190,742
	<u> </u>	<u> </u>

The loan is secured against the property and is repayable over 25 years at an interest rate of 7%.

18 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	£
Bank loans	17	6,823	6,303
Other creditors		5,483	2,832
Accruals and deferred income		51,500	43,826
		<u> </u>	<u> </u>
		63,806	52,961
		<u> </u>	<u> </u>

19 Creditors: amounts falling due after more than one year

	Notes	2024	2023
		£	£
Bank loans	17	214,196	221,007
		<u> </u>	<u> </u>

20 Retirement benefit schemes

	2024	2023
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	39,604	35,719
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

20 Retirement benefit schemes**(Continued)**

The charitable company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charitable company in an independently administered fund.

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
Sleep Easy	2,748	-	-	(2,748)	-
Children in Need	2,978	-	-	(2,978)	-
Henry Smith Fund	-	30,397	(33,530)	3,133	-
Hut +	30,857	-	(260)	(30,597)	-
The Sylvia Adams Charitable Trust	-	-	(65)	65	-
Postcode Community Trust	696	-	-	(696)	-
Ernest Cook	2,244	14,988	(12,525)	-	4,707
National Citizenship Service	-	119,884	(68,953)	-	50,931
	<u>39,523</u>	<u>165,269</u>	<u>(115,333)</u>	<u>(33,821)</u>	<u>55,638</u>

Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
Sleep Easy	2,748	-	-	-	2,748
Children in Need	2,978	-	-	-	2,978
Henry Smith Fund	-	29,939	(32,178)	2,239	-
Hut +	33,047	-	(2,190)	-	30,857
Whats Your Game	6,352	18,668	(25,020)	-	-
Postcode Community Trust	696	-	-	-	696
National Lottery Grant	5,361	-	(5,361)	-	-
Ernest Cook	-	47,134	(44,890)	-	2,244
	<u>51,182</u>	<u>95,741</u>	<u>109,639</u>	<u>2,239</u>	<u>39,523</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

21 Restricted funds**(Continued)**

Henry Smith Fund - This is funding enabling us to continue our 'Bump to Baby and Beyond' project that supports families at the very earliest opportunity engaging with parents in the third trimester of pregnancy. The project offers intensive support to ensure parents are well prepared for their parenting journey.

Hut+ - This is funding was obtained to extend and refurbish our youth centre on the Preston Road Estate. As the funding has been fully expensed the balance on the fund has been transferred to unrestricted reserves.

National Citizenship Service - This is funding enabling us to deliver our 'META' programme. The programme is for young people aged 16 & 17 who are not in employment, education or training and aim to raise confidence, aspiration and ultimately support young people onto their next steps. We are in a partnership with Rewilding Youth (CIC) and Probe Limited to deliver this work.

Funding from Ernest Cook along with a grant from the Police and Crime Commissioners Community Safety Fund allows us to employ a full time Nature Ranger. Ernest Cook fund the 'Blue Influencer' element of the role, the Blue Influencer will work with young people aged 10 – 14 years old, in schools and youth centres across Hull. The scheme helps young people impact the environment through social action projects that benefit their communities, whilst helping them to create lasting and meaningful connection to nature. The Community Safety Fund allows our Nature Ranger to offer sessions to young people aged 8 – 13 years, engaging them in environmental projects which aim to engage young people into centre based activities at an earlier age leading to better relationships and sustained engagement through adolescence.

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	731,404	1,664,558	(1,848,763)	33,821	581,020
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
General funds	822,437	1,574,473	(1,663,267)	(2,239)	731,404
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

23 Analysis of net assets between funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	601,485	-	601,485
Investments	10	-	10
Current assets/(liabilities)	193,721	55,638	249,359
Long term liabilities	(214,196)	-	(214,196)
	<u>581,020</u>	<u>55,638</u>	<u>636,658</u>
	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
At 31 March 2023:			
Tangible assets	592,115	41,858	633,973
Investments	10	-	10
Current assets/(liabilities)	360,286	(2,335)	357,951
Long term liabilities	(221,007)	-	(221,007)
	<u>731,404</u>	<u>39,523</u>	<u>770,927</u>

24 Operating lease commitments**Lessee**

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024 £	2023 £
Within one year	3,000	6,574
Between two and five years	15,000	15,000
In over five years	24,000	27,000
	<u>42,000</u>	<u>48,574</u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

25 Capital commitments	2024	2023
	£	£
Amounts contracted for but not provided in the financial statements:		
	2024	2023
	£	£
Acquisition of property, plant and equipment	2,000	-
Acquisition of intangible assets	83,000	-
	<u>85,000</u>	<u>-</u>

The charity has purchased the assets of Rainbow Nursery (Hull) Limited for a total consideration of £85,000. The purchase completed on 2 April 2024.

26 Related party transactions

There were no disclosable related party transactions during the year (2023 - none).

27 Subsidiaries

Details of the charitable company's subsidiaries at 31 March 2024 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Child Dynamix Trading Limited	95 Preston Road, Sale of donated goods Hull, East Yorkshire, HU9 3QB		Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Child Dynamix Trading Limited	-	(24,835)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2024

27 Subsidiaries

(Continued)

The intention was that the subsidiary gift aided its profits to the charity. The subsidiary has however suffered losses and has not made any gift aid payments to the charity.

The results of the subsidiary are not consolidated within these financial statements as the subsidiary is dormant and the results are considered to be immaterial.

28 Cash generated from operations

2024
£

2023
£

Deficit for the year (134,269) (102,692)

Adjustments for:

Depreciation and impairment of tangible fixed assets 32,488 34,897

Movements in working capital:

(Increase) in debtors (31,979) (56)

Increase/(decrease) in creditors 10,325 (37,984)

Cash absorbed by operations

(123,435) (105,835)

29 Analysis of changes in net funds

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	387,759	(129,726)	258,033
Loans falling due within one year	(6,303)	(520)	(6,823)
Loans falling due after more than one year	(221,007)	6,811	(214,196)
	<u>160,449</u>	<u>(123,435)</u>	<u>37,014</u>

Accounts

Charity Registration No. 1109642

Company Registration No. 05389477 (England and Wales)

CHILD DYNAMIX

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

tc accounts • tax • legal • financial planning

72 Lairgate
Beverley
East Yorkshire
United Kingdom
HU17 8EU

	Page
Company information	1
Trustees' report	2 - 11
Statement of trustees' responsibilities	12
Independent auditor's report	13 - 16
Statement of financial activities	17 - 18
Balance sheet	19
Statement of cash flows	20
Notes to the financial statements	21 - 37

CHILD DYNAMIX

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Boyd B A Bradley G E Coyle P M Perera K Sturdy	
Senior Management team	C M East L Darnell N Clark A Wheal	CEO/Company Secretary Head of HR and Finance Head of Childcare Children & Family services manager
Charity number	1109642	
Company number	05389477	
Principal address	95 Preston Road Hull East Yorkshire United Kingdom HU9 3QB	
Registered office	95 Preston Road Hull East Yorkshire United Kingdom HU9 3QB	
Auditor	TC Group 72 Lairgate Beverley East Yorkshire United Kingdom HU17 8EU	

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2023. The trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

Objectives and activities

Objectives and aims

The Objects for which the Company is established are to promote social regeneration by providing relief in particular but not exclusively to children, young people and their families who are resident or employed across the Humber Sub-Region who have need because of age, mental or physical disability, poverty or addiction. In particular, but not so as to limit the generality of the foregoing, to provide combinations of early years' education, play work, youth work, community sports, family support and health advice, learning and employment services.

The vision and purpose

Our vision is: Communities where children and young people thrive.

Our purpose is: To create environments and deliver activities which enable children and young people to identify and realise both their aspirations and their potential.

How our activities deliver public benefit:

Our main activities are described below and focus on the objectives for which Child Dynamix was created in 2005, including changes to these objectives in 2014. The services provided to children, young people and their families are for the most part free and all are open and accessible to all. Where there are fees to be charged there are opportunities for those unable to afford these fees to access the service via other funding streams i.e., local authority/social services, two-year-old funding and early years education grants. In addition to this, the charity receives pupil premium for children in need within its Childcare settings. The trustees considered the Charity Commissions guidance on public benefit when planning and developing the charity's activities at all its meetings. For specific activities, funding is sought in partnership with the young person or group to enable them to achieve their aspirations. The Corporate Social Responsibility policy is embedded across the charity and explains the way in which the charity supports other small community organisations and takes a responsible approach to the environment.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Achievements and performance

Who used and benefited from our services:

Across our services, Covid had some level of impact in the first half of the financial year including staff absences and increased levels of housekeeping and cleaning. Over this period guidance changed with a focus on *living with Covid* with reducing restrictions in place. In the most part our teams had already reverted to pre-Covid service delivery.

Community Day Nurseries:

Child Dynamix has three day nurseries, two in East Hull (CDCN Preston Road and CDCN Savoy Road) and one in West Hull (CDCN Boulevard). We know our day nurseries play a critical role in the learning and development of the youngest children and we aim to offer the finest provision by providing stimulating learning environments for the children who attend. We also know the importance of quality day care to enable families to access employment and learning opportunities. We aim to provide a flexible approach to meet the needs of children and their families.

Our nursery teams regularly monitor and assess children's learning and development to ensure we offer an early intervention and provide the right level of support to all our children and their families. Analysis of those assessments demonstrates increasing concern of children's communication and how this has been impacted by Covid. In response, we have implemented several approaches including Stories for Talking, and increased staff training in communication strategies to help address this issue, in particular to support children whilst waiting for a specialist service.

Recruiting staff during this past 12 months has been a significant challenge that has affected all three settings. We had relied heavily on agency staff to maintain our legal adult to child numbers throughout the year. The recruitment of nursery practitioners is a national crisis and proving to be an ongoing issue for the profession. We are pleased to see the Governments increased focus on early years including broadening the eligibility for free childcare, however, the issues around recruitment, retention and qualifications for practitioners creates concerns as to how the increased demand can be met.

We continue to offer placement opportunities for students from local colleges including the T-Level and transition T-Level Programme in Education and Childcare with Bishop Burton College. We have successfully recruited 3 apprentices who will complete their Early Years Qualification whilst working on the job. We want to continue to develop and encourage more people to enter the profession and it is our intention to offer apprenticeships on a rolling basis. We want to see closer working relationships with all providers in the coming months to support the Early Years Sector.

During this financial year we received grants from the Park Area Team and the Hull and East Riding Charitable Trust. These grants allowed us to make improvements to the inside spaces at two of our nursery sites where our children learn, play and develop.

Across April 2022 – March 2023, there were 443 children on roll across our nurseries. Of those 443 children, 33 were receiving additional support funding, with a further 83 children experiencing some other learning difficulty or development delay. This means 26% of children attending our settings had some kind of special educational need or disability. We supported 50 families to access 30-hour funding, enabling them to increase childcare to meet their needs.

Children and Family Services:

Children and Family Services consists of two key and consistent elements; Little Stars Children Centre and our Youth Service based at The Hut Youth Centre. Both of these services are part of Hulls Early Help offer to support Children, Young People and their Families and deliver a range of services and support. We also have various additional projects that enhance this key delivery and over the course of this year has included Bump to Baby and Beyond, Green Influencers and Erasmus Plus.

Little Stars Children Centre sits in the Early Help provision within the East Locality in the city of Hull. The team provides targeted family support and a range of services for local families including parenting support, understanding children's behaviour with courses to help with parenting, child safety, infant feeding, budgeting, cooking and providing healthy meals, help to access early education funded nursery places and promoting parents understanding of early childhood development. The team provides regular stay and play sessions, creating a language-rich and stimulating environment in which children and their parents/carers can come together. The nature of the service means team members work closely with professionals from other agencies including schools and children's social care, as well as local charities and voluntary organisations. This approach ensures children and families receive the level of support they need to make lasting change and get the help they need quickly. The next 12 months will be exciting for Children Centres across the city as we transform into Family Hubs thanks to Government investment.

Bump to Baby and Beyond enhances the Childrens Centre offer. The project is now in its fifth year, it was originally funded through the Sylvia Adams Charitable Trust and is currently funded by Henry Smith Charitable Trust. The project provides a member of staff dedicated to supporting expectant mothers and their families until the baby is 18 months old. The project aims to work with 20 families per year.

Our **Youth Service** is commissioned by Hull City Council and is delivered in partnership with Maximum Life Youth Project, and St. Stephens Neighbourhood Centre. The partnership delivers across East Hull using venues in Preston Road, Greatfield, Ings and Longhill Estate. The Child Dynamix Youth team work from **The Hut Youth Centre** where we provide a range of services for the community and young people and continue to utilise the fantastic facilities the building offers following the extension and internal redesign. The teaching kitchen with rise and fall worktops and accessible cooker, IT suite, dance and craft rooms have been used for individual and group session by the team, and by local groups who hire the spaces to deliver their projects. More broadly, the youth team provide a range of services including one to one support, small group work and larger sessions with as many as 40 young people on a Friday night. The team provides a range of activities for young people including music, sport, cooking, arts and crafts, and participates in annual events such as the Humber Night Challenge. The team sourced additional funds to support its delivery from: Clarion Futures, Humberside PCC and Street Games Youth Justice Fund. The team extend their delivery to other community venues including Eastmount Recreation Centre, Shelley Avenue Sports Pavilion and local parks and green spaces.

The **Green Influencer** scheme encourages young people aged 10 – 14 years old across Hull to create meaningful connections with their natural environment and implement long-lasting change in their communities. This project funded by The Ernest Cook Trust has allowed us to work with and inspire children from youth centres and schools across Hull.

It has been an exciting year that has brought an end to our **Erasmus Plus** project. The project, led by the University of Hull and included groups from Germany, Spain and Norway, supported a group of young people from The Hut to participate in this transnational project. Each group conducted their own Citizen Inquiry and came together in Spain and Germany to share their learning with their peers. The project provided the charity with a lot of learning to drive forward our environmental work and provided significant opportunities, learning and social development for the young people involved.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Whats Your Game? Is a partnership with Sanctuary Housing, the aim of the project being to help communities become more physically active by engaging in enjoyable, easy to access and arranged activities. The Whats Your Game? Project came to an end in December 2022, an evaluation took place which will help both Child Dynamix and Sanctuary Housing when applying for similar funding in the future.

Our Parent Mentor service funded through the HeadStart Hull programme came to a close at the end of April 2022. The service based in our Boulevard setting, was a significant piece of our family support offer, as well as a citywide service for children and families within the HeadStart programme. Our Parent Mentor workers oversaw volunteer mentors who supported parents with a range of issues and needs. One of the project's key components was the expectation that Mentors have, or have had, experience of parenting children aged 10 – 16 years. Mentors provided consistent (often weekly) support to other parents. This brought many benefits to both the Mentor and parent; support predominantly focussed on issues impacting the emotional health and well-being of their young person. At one point, Child Dynamix had as many volunteers as employed members of staff largely due to the mentor service. We submitted several funding bids to secure the project's future which were unfortunately unsuccessful. Our intention is to retain volunteering opportunities across the charity and sustain the learning which came from this project.

Annual figures

Over the course of the year Child Dynamix staff and volunteers have worked with **3,280** children and young people and **1,766** adults/carers in communities across Hull. This is a 46% increase in comparison with the previous year with increased demand across all our services, in particular in our youth and family support offer. In comparison with the previous year, we know that our activities especially family trips and sessions, were really popular. We held a number of events in partnership with other local organisations including family fun days and the annual Play Day. We also recognise better data recording and analysis across our systems will have influenced our annual figures. There has been particular focus upon data entry and analysis especially in those systems which we feed into rather than manage ourselves.

Surveys and feedback

We regularly carry out stakeholder surveys, evaluations and seek feedback to help us understand the impact the charity has had.

Surveys and feedback – day nurseries

Our day nurseries conduct an annual Parent Satisfaction Survey to help shape our nursery offer and ensure we continue to meet the needs of our local families.

These are some comments received through the survey from parents:

Child Dynamix Community Nursery Savoy Road:

"My child has grown so much since being here!"

"I have recommended this nursery to several other parents and commented on what an incredible setting it is."

"I couldn't recommend them enough, not just for supporting my child but for supporting me as a parent too".

Nursery parent feedback – Parent Satisfaction Survey – Child Dynamix Community Nursery Savoy Road

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Child Dynamix Community Nursery Preston Road:

"All members of staff at the Preston Road location are so attentive to my child's needs. I have so much praise for the staff, my child has developed such a bond with all of them!"

Nursery parent feedback – Parent Satisfaction Survey – Child Dynamix Community Nursery Preston Road

Parents are also encouraged to make suggestions as to ways we can improve our service and one parent whose child attends our Preston Road nursery suggested children should wear 'indoor' shoes which the nursery have since implemented.

Child Dynamix Community Nursery Boulevard:
Through the parent satisfaction survey, we received these comments from our Boulevard parents:

"All the staff are very caring and supportive."

"My son loves attending."

"Thank you for everything you do!"

"Outstanding nursery and staff members are very helpful."

Nursery parent feedback – Parent Satisfaction Survey – Child Dynamix Community Nursery Boulevard

Surveys and feedback – youth services

Young people provide feedback through annual surveys, at the end of a project or one to one support, and perhaps most regular in conversations as part of the activities they are involved with providing in the moment views and opinions.

"[I'm] happy we have people to talk to and help us improve things like confidence"

"I have learnt to cook and I have 1-1 sessions"

"Thank you for making afternoons fun!"

"Thank you for helping us be one with nature"

Feedback from Young People including those who participated in the Green Influencers work.

Surveys and feedback – family support

There are a number of ways in which our children, parents and their wider family members share their views of services delivered by the Family Support team. This includes comments and feedback given directly to a member of staff, through surveys or evaluations at the end of a programme or course, social media and through activities they have participated in.

"Such a fab group we had for 4 weeks! Really enjoyed cooking as a group, with the kids getting involved.... Thank you Little Stars, super supportive teams."

Comment on Facebook following a Cooking on a Budget course

"All the staff are amazing! Great value for money, the activity bags are amazing and so thoughtful"

Comment on Facebook following a trip organised by the Family Support Team.

"Our little one loved it today – thank you."

Comment from Facebook about the sensory room at Little Stars Children's Centre.

"Staff [are] all friendly and approachable. Well organised and engaging activities, thoroughly enjoyed by all!"

Comment through satisfaction survey

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Volunteering at Child Dynamix:

Since the end of the Parent Mentor Project, the number of hours volunteers have offered has significantly reduced. We have seen fewer people coming forward to volunteer mirroring issues across the city. However, we have seen areas of volunteering grow over the year including in our Youth Service. We recognise that some people are not ready for a regular volunteering commitment. We have looked to identify more ways to *lend a hand* in the hope of engaging our service users and developing grassroots opportunities into something more regular and formal. We recognise the benefits both for the individual and to Child Dynamix in offering regular volunteering opportunities. This year volunteers offered 300 hours of their time.

Charity events and fundraising:

We entered our first Jane Tomlinson Run for All 10k and Half Marathon in June 2022 following a 2-year break due to Covid. We had 32 participants fundraising and raising awareness of our work on a sunny but cool race-day. The Hull 10K and Half Marathon runners raised £1,046 through their fundraising efforts with a further £1,600 sponsorship and financial support coming from Scribes Digital Print, Rix and Spectrum and the main sponsors Smailes Goldie

In December, we held our annual staff away day aiming to bring our teams together to celebrate our work and have some relaxed time together. We were also able to reignite our staff awards highlighting the hard work and dedication of employees across the workforce. The Chair of Trustees presented awards to individuals and teams who had been nominated by their colleagues.

Investment performance

Under the Articles of Association, the charity has the power to invest in any way the trustees wish.

Financial review

Whilst Covid had a reducing impact on Child Dynamix over the financial year, it has been an extremely challenging year with the cost-of-living crisis affecting all our services specifically in terms of utility and food increases.

All nurseries have had recruitment issues over this period resulting in the need to use agency staff, with Boulevard nursery being particularly difficult to recruit to. This means we have had exceptional costs related to agency staff to ensure we met legal requirements for our adult to child ratios. Overall, the nurseries made a surplus, although lower than projected.

We have carefully managed the financial year, with additional unrestricted funds and reduction of other costs leading to a closing balance almost as predicted at the start of the year.

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Reserves policy

Child Dynamix reserves following our thirteenth year of operations stand at £770,927.

Of this figure £731,404 are unrestricted reserves and £39,523 are restricted reserves. A breakdown of the £39,523 restricted fund balances carried forward is shown in note 19 on page 34.

The Trustees of Child Dynamix aim to secure a minimum cash reserve of £230,000 which represents 17% of the Charity's average turnover (10 years). Close monitoring of the reserves is essential in helping us meet the demands of our strategic plan over the next three to five years. The target reserves amount of £230,000 has been calculated based on continuity planning taking account of the Charity's liabilities. This reserve also provides the Charity's cash flow.

First and foremost, the Charity needs reserves to provide working capital to support its day-to-day operations, which is vital when waiting for invoices to be paid. Some contracts can be paid in arrears, leaving the Charity to cover general revenue costs for up to two months. Furthermore, many new funding streams are issued on a payment by results basis, which might split funding by as much as 50% which also then requires the Charity to hold funds to cover the full costs until final payment is made. The Charity Trustees would also consider proposals from the Charity's Officers to create seed funding for development of new vital services, and finally the Trustees may be asked to consider extending individual or team contracts for interim periods of no more than 3 months to bridge gaps where new funding has been secured but a gap is created between funding streams.

The Trustees have provision for the appointment of a Finance Trustee who, within the Articles of Association (reviewed 2022) has responsibility for monitoring and reviewing the agreed steps the charity has taken to establish and/or maintain the reserves and for any proposals for using reserves. The responsibility, should the Charity face closure, will impact on the whole Trustee group, including the Finance Trustee, who would work with the Chief Executive Officer and senior leadership team.

The level of reserves which has been set by the Trustees (see above) is, where possible, grown through our Social Enterprise activities, which have three-to-five-year financial plans. The reserves development and maintenance form part of the general management accounting the Charity undertakes weekly, monthly and quarterly at differing levels. The Head of Finance and Human Resources creates "actual to projected" reports on a quarterly basis to the Finance committee and then on to the Board.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Future plans

As a social regeneration charity, Child Dynamix recognises the importance of the whole family in relation to the outcomes for children and young people. Our themes of work - early years and childcare, family support and services for children and young people - offer both universal and targeted support. Levels and intensity of support differ depending on the presenting needs, but we recognise the many strengths children, young people and their families have. We see these as a positive starting point to enable people to make long lasting change with support from our staff and volunteers.

We were pleased to see Government focus on early years and education in the 2023 Spring Budget, a recognition at least that reform is needed. However, the proposed changes are made within a current funding arrangement that is known not to meet the financial needs of providers or offer the flexibility required for parents. Since the announcement, there has been criticism of the reforms, particularly the focus upon working parents that excludes those who do not work, and poor financial uplift to providers to accommodate changes. In particular, the change from September 2024 when parents can access 15 hours of provision for babies from 9 months. We and other providers are currently assessing the change to ratio's for 2 year olds which comes into force from September 2023. For us, amending the ratio of practitioners to children has to be assessed against providing quality care and education to achieve the best outcomes for our youngest children.

We are however clear that Child Dynamix has significant knowledge and skill in providing childcare and education and see childcare as an area of growth in the coming period. To do so, we must address the challenges in recruitment and retention and are working closely with Hull Training and Adult Education, alongside other providers to address issues in the early years workforce.

The focus on the First 1001 Days and The Best Start for Life programmes across the city has resulted in a range of services focused on the youngest children in our community. We have already benefited from further funding to increase staffing in the Childrens Centre and look forward to the transition to Family Hub.

Alongside these changes, the city as a whole is looking towards a *trauma informed approach* for services for children and young people. This approach sits alongside the work we have been involved with in improving the voice and influence of children and young people in the services they use. The Laura Lundy model is increasingly used across agencies, and Child Dynamix is at the heart of this work as the CEO is the Chair of the Voice and Influence Partnership.

In the coming financial year we recognise the end of a number of funds which has supported our young people's social action and climate change work. This continues to be a significant focus for Child Dynamix with a number of bids already submitted to sustain this work.

We continue to grapple with the reducing number of grants to apply to and the increasing competition for the remaining opportunities. It is a real challenge to find funds which reflect the work Child Dynamix delivers to meet the needs of our service users and local communities.

Structure, governance and management

Governing document

The Charity is controlled by its governing document, a deed of trust, and constitutes a company limited by guarantee, as defined by the Companies Act 2006.

The company was incorporated on 11th March 2005.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also the directors for the purpose of company law, who served during the year and up to the date of signature of the financial statements were:

J Boyd

B A Bradley

G E Coyle

P D Duffield

(Resigned 31 May 2023)

P M Perera

K Sturdy

Recruitment and appointment of new trustees

The Trustees shall have power at any time to appoint any person to be a Trustee but so that the total number of Trustees shall not exceed the number determined under Article 34. Every Trustee shall be appointed for a term of three years unless agreed otherwise by the Trustees at the time of their appointment. A Trustee due to retire may, with the approval of a majority of the Trustees, stand for re-appointment for a second term so that Trustees may, if re-appointed, serve two consecutive terms. The Trustees may resolve by majority that because of exceptional circumstances a Trustee may hold office for a third term. The Trustees may resolve by majority that because of exceptional circumstances a Trustee may hold office for such further terms that are deemed to be in the Charity's best interests. The Trustees may make such rules pursuant to these Articles as they see fit from time to time with regard to the procedure for the appointment and reappointment of Trustees pursuant to this Article.

Governance Structure

The Trustees held five meetings during 2022 – 2023, including the annual general meeting in September. The board has delegated the day-to-day operations to the Senior Management Team made up of the CEO, the Head of Finance & HR, the Head of Childcare and the Children & Family Services Manager. These job roles are externally reviewed, evaluated and benchmarked to similar sector positions.

During the year, a review of the governance structure resulted in a change to the quarterly committees. A HR and Finance committee is now held prior to full board which all Trustees are invited. A further meeting, namely Planning and Performance is planned quarterly with department managers to which Trustees are invited to attend and replaces the former HR & Scrutiny Committee.

- Child Dynamix Trading Ltd: (wholly owned trading subsidiary)
 - Mrs P Perera Director
 - Mr Bryan Bradley Director

The Health and Safety internal audit of each of the charity's premises took place from March to May 2022. In response to the shift to *living with Covid*, Health and Safety practices were reviewed throughout the year in response to national and local guidance and restrictions.

Induction and training of new trustees

The charity has a comprehensive induction pack for new Trustees (The Trustee Handbook). This Handbook includes role descriptions, conflict of interest, and code of conduct, the Articles and policies including finance and reserves. All Trustees of the charity complete the volunteer recruitment process, which includes a DBS enhanced check and undertake safeguarding training. Induction meetings are held with the Chief Executive and/or Chair of the Board prior to the first Board meeting attended. Trustees are encouraged to attend seminars and conferences on Charity law and governance issues when they are able. Information from these events is shared at subsequent board meetings.

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

Risk management

Child Dynamix holds a risk register; the register considers financial, reputational and operational risks to the charity and is agreed with the Board annually. The charity has systems and controls in place to manage the exposure to its significant risks. The risk register is referred to and updated if required in each Board meeting. In addition to this, the charity uses risk analysis at a project and service level.

Auditor

The auditor, TC Group, will be proposed for re-appointment at the forthcoming Annual General Meeting.

The trustees' report was approved by the Board of Trustees.

C M East

Company secretary

Dated: 13 September 2023

CHILD DYNAMIX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2023

The Trustees, who are also the directors of Child Dynamix for the purpose of company law, are responsible for preparing the 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 which 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 the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Opinion

We have audited the financial statements of Child Dynamix (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

CHILD DYNAMIX

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

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 purpose of company law, are responsible for the preparation of the financial statements and 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.

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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

CHILD DYNAMIX

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website as: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditors' report.

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Todd FCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor
Office: Beverley

25 September 2023

TC Group is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

CHILD DYNAMIX

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Income and endowments from:					
Donations and legacies	3	4,426	-	4,426	1,394
<u>Charitable activities</u>					
Childcare	4	1,075,493	-	1,075,493	1,021,513
Youth, Sport and Play	4	263,169	72,178	335,347	515,467
Children & Young People activities	4	225,953	23,563	249,516	249,829
Core support	4	-	-	-	6,672
Other trading activities	5	432	-	432	-
Other income	6	5,000	-	5,000	-
Total income		1,574,473	95,741	1,670,214	1,794,875
<u>Expenditure on:</u>					
<u>Charitable activities</u>					
Childcare	7	884,019	-	884,019	818,084
Youth, Sport and Play	7	230,663	58,169	288,832	402,215
C & Y P activities	7	237,517	51,470	288,987	227,782
Core support	7	296,766	-	296,766	281,819
Total charitable expenditure		1,648,965	109,639	1,758,604	1,729,900
Other	12	14,302	-	14,302	18,375
Total resources expended		1,663,267	109,639	1,772,906	1,748,275

CHILD DYNAMIX**STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED)
INCLUDING INCOME AND EXPENDITURE ACCOUNT****FOR THE YEAR ENDED 31 MARCH 2023**

Net (outgoing)/incoming resources before transfers	(88,794)	(13,898)	(102,692)	46,600
Gross transfers between funds	(2,239)	2,239	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net (expenditure)/income for the year/ Net movement in funds	(91,033)	(11,659)	(102,692)	46,600
Fund balances at 1 April 2022	822,437	51,182	873,619	827,019
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Fund balances at 31 March 2023	<u>731,404</u>	<u>39,523</u>	<u>770,927</u>	<u>873,619</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CHILD DYNAMIX

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	13		633,973		668,870
Investments	14		10		10
			<u>633,983</u>		<u>668,880</u>
Current assets					
Debtors	15	23,153		23,097	
Cash at bank and in hand		387,759		499,502	
		<u>410,912</u>		<u>522,599</u>	
Creditors: amounts falling due within one year	17	(52,961)		(90,550)	
Net current assets			<u>357,951</u>		<u>432,049</u>
Total assets less current liabilities			991,934		1,100,929
Creditors: amounts falling due after more than one year	18		(221,007)		(227,310)
Net assets			<u>770,927</u>		<u>873,619</u>
Income funds					
Restricted funds	19		39,523		51,182
Unrestricted funds			731,404		822,437
			<u>770,927</u>		<u>873,619</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 13 September 2023

B A Bradley
Trustee

Company Registration No. 05389477

CHILD DYNAMIX

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

		2023		2022	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	24	(105,835)		(63,193)	
Net cash used in investing activities			-		-
Financing activities					
Repayment of bank loans		(5,908)		(5,510)	
Net cash used in financing activities		(5,908)		(5,510)	
Net decrease in cash and cash equivalents		(111,743)		(68,703)	
Cash and cash equivalents at beginning of year		499,502		568,205	
Cash and cash equivalents at end of year		387,759		499,502	

1 Accounting policies

Charity information

Child Dynamix is a private company limited by guarantee incorporated in England and Wales. The registered office is 95 Preston Road, Hull, East Yorkshire, HU9 3QB, United Kingdom.

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Accounting convention

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies**(Continued)**

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% on cost
Leasehold land and buildings	over the period of the lease
Fixtures and fittings	50% on cost, 25% on cost and 20% on cost
Motor vehicles	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are measured at cost.

A subsidiary is an entity controlled by the charitable company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

1 Accounting policies**(Continued)****1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements**Useful life of fixed assets**

The charitable company estimates the useful economic lives of fixed assets based in the expected period of use of the asset in operating the charitable company.

Carrying value of freehold property

The charitable company owns one property and this is stated at cost with depreciation being charged based on the useful economic life of the asset. The trustees review the carrying value of the property on an annual basis, in light of the condition of the property and the operating performance of the nursery.

3 Donations and legacies

	Unrestricted funds	Total
	2023	2022
	£	£
Donations and gifts	4,426	1,394
	<u> </u>	<u> </u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

	Childcare Youth, Sport and Children & Young Play People activities			Core support	Total 2023	Total 2022
	2023	2023	2023	2023		
	£	£	£	£	£	£
Childcare	1,043,611	-	-	-	1,043,611	1,015,148
Commissioning services	-	234,711	225,953	-	460,664	608,854
Grants	-	100,636	23,563	-	124,199	142,676
Commercial income	31,882	-	-	-	31,882	25,022
Other income	-	-	-	-	-	1,781
	<u>1,075,493</u>	<u>335,347</u>	<u>249,516</u>	<u>-</u>	<u>1,660,356</u>	<u>1,793,481</u>
Analysis by fund						
Unrestricted funds	1,075,493	263,169	225,953	-	1,564,615	1,701,804
Restricted funds	-	72,178	23,563	-	95,741	91,677
	<u>1,075,493</u>	<u>335,347</u>	<u>249,516</u>	<u>-</u>	<u>1,660,356</u>	<u>1,793,481</u>
For the year ended 31 March 2022						
Unrestricted funds	1,021,513	452,970	220,649	6,672		1,701,804
Restricted funds	-	62,497	29,180	-		91,677
	<u>1,021,513</u>	<u>515,467</u>	<u>249,829</u>	<u>6,672</u>		<u>1,793,481</u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

4 Charitable activities

(Continued)

Grants Received included in the above are as follows:

Henry Smith	-	29,939	-	-	29,939	-
Erasmus	-	23,572	-	-	23,572	-
Whats your Game	-	18,668	-	-	18,668	34,499
Youth Music	-	3,477	-	-	3,477	-
Youth Dynamix	-	15,491	-	-	15,491	19,410
Euro 22	-	3,006	-	-	3,006	-
Two Ridings	-	1,983	-	-	1,983	-
East Riding Charitable Trust	-	2,500	-	-	2,500	-
Street Games	-	2,000	-	-	2,000	-
Ernest Cook	-	-	23,563	-	23,563	15,938
Other	-	-	-	-	-	72,829
	-	100,636	23,563	-	124,199	142,676

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

5 Other trading activities

	Unrestricted funds	Total
	2023 £	2022 £
Fundraising events	432	-
	<u> </u>	<u> </u>

6 Other income

	Unrestricted funds	Total
	2023 £	2022 £
Other income	5,000	-
	<u> </u>	<u> </u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Charitable activities

	Childcare	Youth, Sport and Play	C & Y P Core support activities		Total 2023	Total 2022
	2023	2023	2023	2023		
	£	£	£	£	£	£
Staff costs	647,644	161,671	194,055	190,997	1,194,367	1,262,965
Depreciation and impairment	2,169	2,369	2,244	28,115	34,897	34,136
Rent of building	65,738	3,000	-	-	68,738	63,647
Rates and water	3,084	962	5,189	-	9,235	6,732
Insurance	233	-	1,506	8,299	10,038	10,510
Light and heat	14,167	11,370	10,788	-	36,325	23,462
Telephone and internet	3,802	1,776	6,503	290	12,371	12,590
Postage and stationery	4,489	2,422	7,108	464	14,483	15,859
Sundries	798	2,343	233	11,807	15,181	9,832
Food	10,477	-	-	-	10,477	12,673
Equipment	-	390	-	-	390	214
Computer expenses	2,160	720	-	20,079	22,959	23,611
Repairs and renewals	10,390	7,534	22,835	5,482	46,241	33,179
Cleaning and refuse	14,999	11,515	28,878	-	55,392	50,981
Training	88,864	-	-	-	88,864	35,672
Courses and conferences	456	960	130	-	1,546	7,331
Other charitable expenditure	13,889	81,800	9,518	11,103	116,310	97,804
	883,359	288,832	288,987	276,636	1,737,814	1,701,198
Share of support costs (see note 8)	660	-	-	12,410	13,070	28,702
Share of governance costs (see note 8)	-	-	-	7,720	7,720	-
	884,019	288,832	288,987	296,766	1,758,604	1,729,900
Analysis by fund						
Unrestricted funds	884,019	230,663	237,517	296,766	1,648,965	1,637,732
Restricted funds	-	58,169	51,470	-	109,639	92,168
	884,019	288,832	288,987	296,766	1,758,604	1,729,900

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

7 Charitable activities (Continued)

For the year ended 31 March 2022

Unrestricted funds	818,084	343,033	194,796	281,819	1,637,732
Restricted funds	-	59,182	32,986	-	92,168
	<u>818,084</u>	<u>402,215</u>	<u>227,782</u>	<u>281,819</u>	<u>1,729,900</u>

8 Support costs

	Support costs £	Governance costs £	2023 £	2022 £
Legal and professional fees	12,410	-	12,410	21,706
Management and administration	660	-	660	660
Audit fees	-	7,720	7,720	6,336
	<u>13,070</u>	<u>7,720</u>	<u>20,790</u>	<u>28,702</u>
Analysed between Charitable activities	<u>13,070</u>	<u>7,720</u>	<u>20,790</u>	<u>28,702</u>

9 Net movement in funds

	2023 £	2022 £
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	7,720	6,336
Depreciation of owned tangible fixed assets	<u>34,897</u>	<u>34,136</u>

10 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2022 nor for the year ended 31st March 2021.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

11 Employees**Number of employees**

The average monthly number of employees during the year was:

	2023	2022
	Number	Number
Administration	10	10
Managers	9	9
Other	42	51
	<u>61</u>	<u>70</u>

Employment costs

	2023	2022
	£	£
Wages and salaries	1,080,279	1,146,196
Social security costs	78,369	77,438
Other pension costs	35,719	39,331
	<u>1,194,367</u>	<u>1,262,965</u>

There were no employees whose annual remuneration was £60,000 or more.

12 Other

	Unrestricted funds	Total
	2023	2022
		£
Financing costs	14,302	18,375
	<u>14,302</u>	<u>18,375</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

13 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 April 2022	351,480	394,114	302,029	38,426	1,086,049
At 31 March 2023	351,480	394,114	302,029	38,426	1,086,049
Depreciation and impairment					
At 1 April 2022	35,159	66,298	278,970	36,752	417,179
Depreciation charged in the year	7,032	17,144	10,302	419	34,897
At 31 March 2023	42,191	83,442	289,272	37,171	452,076
Carrying amount					
At 31 March 2023	309,289	310,672	12,757	1,255	633,973
At 31 March 2022	316,321	327,816	23,059	1,674	668,870

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

14 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2022 & 31 March 2023		10
		<u> </u>
Carrying amount		
At 31 March 2023		10
		<u> </u>
At 31 March 2022		10
		<u> </u>

		2023	2022
	Notes	£	£
Other investments comprise:			
Investments in subsidiaries	23	10	10
		<u> </u>	<u> </u>

15 Debtors

	2023	2022
Amounts falling due within one year:	£	£
Trade debtors	19,262	21,095
Prepayments and accrued income	3,891	2,002
	<u> </u>	<u> </u>
	23,153	23,097
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

16 Loans and overdrafts

	2023	2022
	£	£
Bank loans	227,310	233,218
	<u> </u>	<u> </u>
Payable within one year	6,303	5,908
Payable after one year	221,007	227,310
	<u> </u>	<u> </u>
Amounts included above which fall due after five years:		
Payable by instalments	190,742	199,090
	<u> </u>	<u> </u>

The loan is secured against the property and is repayable over 25 years at an interest rate of 7%.

17 Creditors: amounts falling due within one year

	Notes	2023	2022
		£	£
Bank loans	16	6,303	5,908
Other creditors		2,832	5,114
Accruals and deferred income		43,826	79,528
		<u> </u>	<u> </u>
		52,961	90,550
		<u> </u>	<u> </u>

18 Creditors: amounts falling due after more than one year

	Notes	2023	2022
		£	£
Bank loans	16	221,007	227,310
		<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds				
	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Sleep Easy	2,748	-	-	-	2,748
Children in Need	2,978	-	-	-	2,978
Henry Smith Fund	-	29,939	(32,178)	2,239	-
Hut +	33,047	-	(2,190)	-	30,857
Whats Your Game	6,352	18,668	(25,020)	-	-
Postcode Community Trust	696	-	-	-	696
National Lottery Grant	5,361	-	(5,361)	-	-
Ernest Cook	-	47,134	(44,890)	-	2,244
	<u>51,182</u>	<u>95,741</u>	<u>(109,639)</u>	<u>2,239</u>	<u>39,523</u>

Sleep Easy – This is a YMCA led annual fundraising event that takes place during the last weekend in January each year when volunteers sleep rough for one night in makeshift dens and raise funds through sponsorship. Child Dynamix has partnered with YMCA Grimsby in the past and received funding that will support young people facing homelessness.

Children in Need - This was a Play Project working with children over 5. A team of 3 play workers delivered sessions in communities around East Hull. The project promoted the importance of free play and the positive impact it has on Children's health and wellbeing. This project ended November 2019 and it was agreed with CIN in March 2020 to deliver additional sessions with the underspend in 2020/21. Due to the pandemic, these sessions have not taken place yet.

Henry Smith Fund - This is funding enabling us to continue our 'Bump to Baby and Beyond' project that supports families at the very earliest opportunity engaging with parents in the third trimester of pregnancy. The project offers intensive support to ensure parents are well prepared for their parenting journey.

Hut+ - This is funding obtained to extend and refurbish our youth centre on the Preston Road Estate.

Whats Your Game - We deliver this project as a partner to Sanctuary Housing who secured the funding through Sport England Families Fund. The Community Facilitator works within the Sanctuary Housing area engaging and supporting families and the general community to become more physically active.

Postcode Community Trust - This funding provides community based physical activity classes. Classes include Clubbercise, Parent and Tots Dance and Early Years Gymnastics.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

19 Restricted funds

(Continued)

Ernest Cook - Ernest Cook has funded our Green Influencers Project for two years, commencing December 2020. The Green Influencers scheme encourages young people aged 10 – 14 years old across Hull to create meaningful connections with their natural environment and implement long-lasting change in their communities. This project is running across the city in local schools and youth centres, the project creates the opportunity to work with and learn from Green Influencers locally and across the country.

20 Analysis of net assets between funds

	Unrestricted 2023 £	Restricted 2023 £	Total 2023 £	Total 2022 £
Fund balances at 31 March 2023 are represented by:				
Tangible assets	592,115	41,858	633,973	668,870
Investments	10	-	10	10
Current assets/(liabilities)	360,286	(2,335)	357,951	432,049
Long term liabilities	(221,007)	-	(221,007)	(227,310)
	<u>731,404</u>	<u>39,523</u>	<u>770,927</u>	<u>873,619</u>

21 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023 £	2022 £
Within one year	6,574	36,575
Between two and five years	15,000	18,575
In over five years	27,000	30,000
	<u>48,574</u>	<u>85,150</u>

22 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

23 Subsidiaries

Details of the charitable company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Child Dynamix Trading Limited	95 Preston Road, Hull, East Yorkshire, HU9 3QB	Sale of donated goods	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Child Dynamix Trading Limited		(24,802)

The intention is that the subsidiary gift aids its profits to the charity. To date, the subsidiary has suffered losses and has not made any gift aid payments to the charity.

The results of the subsidiary are not consolidated within these financial statements as the subsidiary is dormant and the results are considered to be immaterial.

24 Cash generated from operations	2023 £	2022 £
(Deficit)/surplus for the year	(102,692)	46,600
Adjustments for:		
Depreciation and impairment of tangible fixed assets	34,897	34,136
Movements in working capital:		
(Increase)/decrease in debtors	(56)	3,329
(Decrease) in creditors	(37,984)	(147,258)
Cash absorbed by operations	(105,835)	(63,193)

CHILD DYNAMIX**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2023****25 Analysis of changes in net funds**

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	499,502	(111,743)	387,759
Loans falling due within one year	(5,908)	(395)	(6,303)
Loans falling due after more than one year	(227,310)	6,303	(221,007)
	<u>266,284</u>	<u>(105,835)</u>	<u>160,449</u>

Accounts

Charity Registration No. 1109642

Company Registration No. 05389477 (England and Wales)

CHILD DYNAMIX

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

tc accounts • tax • legal • financial planning

74 Lairgate
Beverley
East Yorkshire
United Kingdom
HU17 8EU

	Page
Company information	1
Trustees' report	2 - 10
Statement of trustees' responsibilities	11
Independent auditor's report	12 - 15
Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19 - 35

CHILD DYNAMIX

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Boyd B A Bradley G E Coyle P D Duffield P M Perera K Sturdy	
Senior Management team	C M East L Darnell N Clark A Wheal	CEO/Company Secretary Head of HR and Finance Head of Childcare Children & Family services manager
Charity number	1109642	
Company number	05389477	
Principal address	95 Preston Road Hull East Yorkshire United Kingdom HU9 3QB	
Registered office	95 Preston Road Hull East Yorkshire United Kingdom HU9 3QB	
Auditor	TC Group 74 Lairgate Beverley East Yorkshire United Kingdom HU17 8EU	

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2022

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2022. The trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

Objectives and activities

Objectives and aims

The Objects for which the Company is established are to promote social regeneration by providing relief, in particular but not exclusively to, children, young people and their families who are resident or employed across the Humber Sub-Region who have need because of age, mental or physical disability, poverty or addiction. In particular, but not so as to limit the generality of the foregoing to provide combinations of early years education, play work, youth work, community sports, family support and health advice, learning and employment services.

The vision and beliefs and Key priorities

Our vision is: Communities where children and young people thrive

Our purpose is: To create environments and deliver activities that enable children and young people to identify and realise both their aspirations and their potential.

How our activities deliver public benefit

Our main activities are described below and focus on the objectives for which Child Dynamix was created in 2005, including changes to these objectives in 2014. The services provided to children, young people and their families are for the most part free and all are open and accessible to all. Where there are fees to be charged there are opportunities for those unable to afford these fees to access the service via other funding streams i.e., local authority/social services, two-year-old funding and early years education grants. In addition to this, the charity receives pupil premium for children in need within its Childcare settings. The trustees considered the Charity Commissions guidance on public benefit when planning and developing the charity's activities at all its meetings. For specific activities, funding is sought in partnership with the young person or group to enable them to achieve their aspirations. The Corporate Social Responsibility policy is embedded across the charity, and explains the way in which the charity supports other small community organisations and takes a responsible approach to the environment.

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Achievements and performance

Who used and benefited from our services:

Community Day Nurseries:

Child Dynamix has three day nurseries, two in East Hull (CDCN Preston Road and CDCN Savoy Road) and one in West Hull (CDCN Boulevard). We know our day nurseries play a critical role in the learning and development of the youngest children and we aim to offer the finest provision by providing stimulating learning environments for the children who attend. We also know the importance of quality day care to enable families to access employment and learning opportunities. We aim to provide a flexible approach to meet the needs of children and their families.

Covid 19 continued to impact our nursery offer throughout this financial year. Our teams continued to respond to local and national guidance and restrictions. In the previous financial year, there were times when restrictions meant we could only open for specific children, however there were no such restrictions in this year. Our settings remained open, and continued to provide care and education for all their children. This meant children continued to receive learning and development opportunities and our teams worked tirelessly to minimise the impact upon our youngest children and their families. Our nursery leaders worked flexibly to support all our families through the challenges, particular concerns related to health and safety, and minimise the spread of the infection especially when new variants emerged.

Whilst it was possible for many people to work from home, or work flexibly, our nursery teams continued to come on site each day. Everyone came together to provide for our children recognising the importance early years has in the outcomes of children, and the part it plays in the lives of working families. At times there was nothing 'normal' about coming to work but our members of staff were determined that our children would not see this whilst in our care.

Throughout this period, the nursery teams continued to monitor children's learning and development to ensure we minimised the impact of restrictions on their outcomes. Teams welcomed the changes to the Early Years Foundation Stage curriculum in September 2021 and used the changes to revisit how the curriculum is delivered throughout our settings. The Local authority developed an Assessment Score Card which allows children's key workers to analyse individual children's learning and potentially offer additional support if necessary.

We continued to work closely with local colleges to offer placements for childcare students and with Bishop Burton College in connection with the T-Level and transition T-Level Programme in Education and Childcare.

Across April 2021 – March 2022, there were 443 children on roll across our nurseries. Of those 443 children, 33 were receiving additional support funding, with a further 83 children experiencing some other learning difficulty or development delay. This means 26% of children attending our settings had some kind of special educational need or disability. We supported 50 families to access 30-hour funding, enabling them to increase childcare to meet their needs.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Community services and activities: (children, young people and families)

Over the course of the year Child Dynamix staff and volunteers have worked with **2373** children and young people and **1067** adults/carers in communities across Hull.

Child Dynamix offers children, young people and their families a range of services and support through our community services and activities. Our offer continued throughout the changing guidance and restrictions related to Covid:

- **Little Stars Children's centre** sits in the Early Help provision within the East Locality in the city of Hull. The team provides family support and a range of services for local families including parenting support, understanding children's behaviour with courses to help with parenting, child safety, infant feeding, budgeting, cooking and providing healthy meals, help to access early education funded nursery places and promote parents understanding of early childhood development. The team provides regular stay and play sessions, creating a language-rich and stimulating environment in which children and their parents/carers can come together. In the team we have a member of staff dedicated to supporting expectant mothers and their families until the baby is 18 months (now funded by Henry Smith Charitable Trust, previously Sylvia Adams Charitable Trust). Throughout the year, the team made a number of adaptations to ensure it could continue to deliver all aspects of its service, using learning from previous restrictions to ensure it could respond quickly as guidance changed. The nature of the service means team members work closely with professionals from other agencies including schools, children's social care, as well as local charities and voluntary organisations. This approach ensures children and families received the level of support they need to make lasting change and get the help they need quickly.
- **Our Parent Mentor service** is part of HeadStart Hull programme, and based in our Boulevard setting. Our Parent Mentor workers oversee volunteer mentors who support parents with a range of issues and needs. With training and support volunteer mentors, who are or have parented children aged 10 to 16 years, provide consistent (often weekly) support to other parents. This has brought many benefits to both the Mentor and parent; support predominantly focusses on issues impacting the emotional health and well-being of their young person. The team continued to deliver through the various restrictions and changes to guidance, using learning from previous restrictions to guide their delivery. The team continued online, telephone and virtual support as these approaches often worked better for some people, and undertook a cost benefit analysis which demonstrated the importance of their work. However, in the autumn the recruitment of new volunteers was paused as we awaited news of the future sustainability of HeadStart, and in December 2021 we received news that there would be no funding beyond the current contract. The team worked tirelessly to support both volunteers and parents to ensure open cases were closed and support was referred to other providers. Child Dynamix continues to seek funding for Parent mentoring, recognising how important this approach is in our family support offer.

From the Hut Youth centre, we provide a range of services for the community and young people, and continue to utilise the fantastic facilities the building offers following the extension and internal redesign. The teaching kitchen with rise and fall worktops and accessible cooker, IT suite, dance and craft rooms have been used for individual and group session by the team, and by local groups who hire the spaces to deliver their projects. More broadly, the youth team provide a range of services including one to one support, small group work and larger sessions with as many as 40 young people on a Friday night. Naturally, restrictions and guidance have influenced their delivery, with larger groups and events being outdoors. The team also works in local community spaces, schools and sport fields to offer the widest variety of activities. Again, this team went to great lengths to ensure it could meet varying needs of local children and young people and stay connected to them. When schools were closed, many young people lost contact with trusted adults and the team recognised that they needed to work differently to stay connected. As restrictions changed, we were able to rely on outdoor activities to engage and help respond to the increasing demand for support, particularly around emotional health and wellbeing.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Young people

- **Youth Commissioned Work** – The youth team continues to deliver our commissioned youth provision across East Hull. The team works from The Hut, Eastmount Recreation Centre, Shelley Avenue and parks and open spaces across the area. Our commissioned partners, Maximum Life Youth Project and St. Stephens Neighbourhood Centre, support with the delivery in the Greatfield and Ings communities. The team provides a range of activities for young people including music, sport, cooking, arts and crafts, and participates in annual events such as the Humber Night Challenge. The team seeks additional funds to support its delivery from, for example, Sport England, Clarion Futures and This Girl Can.
- **Youth in Nature** – Youth in Nature is a partnership project with Probe and Yorkshire Wildlife Trust. The project ended June 2021 but the environmental aspect of the programme continues through other projects we deliver. This means the focus on the local environment and opportunity to provide young people with new skills, knowledge and experiences remains in our offer.
- **Green Influencers** – The Green Influencers scheme encourages young people aged 10 – 14 years old across Hull to create meaningful connections with their natural environment and implement long-lasting change in their communities. This project is delivered across local schools and youth centres.
- **Whats Your Game?** – Is a partnership with Sanctuary Housing, the aim of the project being to help communities become more physically active by engaging in enjoyable, easy to access and arranged activities.
- **Erasmus** – funds work to support a group of young people to participate in transnational projects and environmental social action. The group is working with other groups of young people from Norway, Germany and Spain. This project provides opportunities for young people to travel and work with and learn from young people in other countries.

Surveys and feedback

We regularly carry out stakeholder surveys, evaluations and seek feedback to help us understand the impact the charity has had,

"I live in SW England and stumbled across your site by chance. I wanted to say a massive thank you for the 6 videos you have posted for how best to support your teenager. We have been having a very tough time recently with our 14 year old daughter and I found all the videos to be calming"

Parent feedback about the Parenting Teenager Short Films

"Aimee brought activity bags and cooking packs through lockdown. L has sensory problems and difficulty eating and trying new foods. It's been difficult but Aimee has helped us to encourage L to try new food and she has brought things like separation plates, given us ideas to use and put me on a course to understand L's behaviour. L has made real progress".

Parent Feedback Little Stars Children's Centre June 2021

"My mentor is a lovely lady who is empathetic and was able to connect to me and listen, this organisation (Child Dynamix) is really helpful for people with a lot of issues and who cannot speak English well."

Parent feedback - Parent Peer Mentor Project June 2021

"I definitely feel more confidence and knowledge about my teenager's development. I can see the world from their eyes, everything has helped."

Parent Feedback – Talking Teens course July 2021 (part of the Parent Peer mentor Project)

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

"Thank you for all your support given in looking after my son and giving me the advice needed for his SEN Needs, it's been really appreciated."

Nursery parent feedback – March 2022

"I think I've tried everything during the summer holidays, but the cooking and kayaking were my favourite. I've never been kayaking before, it was difficult at first and I got mad, but then the instructor showed me how to do it properly and I found it easier. The cooking was fun as well, the worker was smart and made it easy for us to learn, now my mum is making me do all the cooking at home."

Young person Feedback August 2021

Volunteering at Child Dynamix:

Throughout the year our HeadStart Hull Parent Volunteers was the largest group of volunteers within the charity, with as many as 38 active volunteers supporting the project at any one time. Volunteering opportunities continue to be an important part of our service delivery and we are pleased to have been able to support volunteer Mentors to find alternative places to give their time as the Parent Mentor Project came to a close. We must also recognise the contributions to other parts of the charity, including volunteers who give their time and skills in our youth services, childcare and children's centre. Our trustees, also volunteers, have continued to support Child Dynamix in so many ways, particularly as the charity navigated the challenges of Covid and emerging issues impacting both the charity and our beneficiaries. This year volunteers offered 1238 hours of their time.

Charity events and fundraising:

Unfortunately, Covid halted many of the events and fundraising activities that we would normally have. Over the year smaller outdoor events to attract children, young people and families could go ahead whilst remaining within the guidance of the time. We were pleased to offer our teams the opportunity to have our annual Away Day, cancelled in 2020. The day was adjusted into smaller teams rather than the usual full Charity *get together*, to reduce the potential spread of the emerging Omicron variant of Covid.

Investment performance

Under the Articles of Association, the charity has the power to invest in any way the trustees wish.

Financial review

Covid continued to impact operations over the year, however we were quickly able to adapt our delivery and response to various changes to guidance. This did impact on the number of children and young people we could see in sessions, but had less impact on our nursery offer as there were no restrictions in attendance. The nursery teams worked flexibly to meet the needs of both children and their families and brought in an additional £30k.

Difficulties with recruitment have impacted all our services at some point and means overall spend on salaries was lower than projections. There were various small pots of funding for Youth, Family Support and Nature activities between £1k and £15k over the course of the year

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Reserves policy

Child Dynamix reserves following our twelfth year of operations stand at £873,619.

Of this figure £822,437 are unrestricted reserves and £51,182 are restricted reserves. A breakdown of the £51,182 restricted fund balances carried forward is shown in note 18 on page 33.

The Trustees of Child Dynamix aim to secure a minimum cash reserve of £230,000 which represents 17% of the Charity's average turnover (10 years). Close monitoring of the reserves is essential in helping us meet the demands of our strategic plan over the next three to five years. The target reserves amount of £230,000 has been calculated based on continuity planning taking account of the Charity's liabilities. This reserve also provides the Charity's cash flow.

First and foremost, the Charity needs reserves to provide working capital to support its day to day operations, which is vital when waiting for invoices to be paid. Some contracts can be paid in arrears leaving the Charity to cover general revenue costs for up to two months. Furthermore, many new funding streams are issued on a payment by results basis, which might split funding by as much as 50% which also then requires the Charity to hold funds to cover the full costs until final payment is made. The Trustees would also consider proposals from the Charity's Officers to create seed funding for development of new vital services, and finally the Trustees may be asked to consider extending individuals or team contracts for interim periods of no more than 3 months to bridge gaps where new funding has been secured but a gap is created between funding streams.

The Trustees have provision for the appointment of a Finance Trustee who, under the Articles of Association (reviewed 2014) has responsibility for monitoring and reviewing the agreed steps the charity has taken to establish and or maintain the reserves and for any proposals for using reserves. The responsibility, should the Charity face closure, will impact on the whole Trustee group, including the Finance Trustee, who would work with the Chief Executive Officer and senior leadership team.

The level of reserves set by the Trustees (see above) where possible, are grown through our Social Enterprise activities, which have three to five year financial plans. The reserves development and maintenance forms part of the general management accounting the Charity carries out, which takes place weekly, monthly and quarterly at differing levels. The Head of Finance and Human Resources creates actual to projected reports on a quarterly basis to the Finance committee and then on to the Board.

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Future plans

As a social regeneration charity, Child Dynamix recognises the importance of the whole family in relation to the outcomes for children and young people. Our themes of work - early years and childcare, family support and services for children and young people - offer both universal and targeted support. Levels and intensity of support differ depending on the presenting needs, but we recognise the many strengths children, young people and their families have. We see these as a positive starting point to enable people to make long lasting change with support from our staff and volunteers.

As we enter a new financial year, we have already begun to see the long-term impact of Covid upon children and young people, including speech and language concerns for our youngest children. The focus on the First 1001 Days and The Best Start for Life programmes already help to address this. Hull is one of 75 local authorities eligible for a share of £302m to develop Family Hubs. Announcements in relation to the allocation for Hull is expected in Summer 2022 and will build on an already healthy offer for children, young people and their families within the revised Early Help and Prevention Strategy 2021-25.

We continue to seek funding to enable us to retain mentoring as part of our Family Support offer and await a response from the National Lottery in relation to an application we have submitted in partnership with Cornerhouse Yorkshire.

We are also excited by a number of opportunities to increase the voice and influence that children, young people and families have regarding the services they receive from Child Dynamix and other services across the city as the Children and Young People's Voice and Influence strategy is further embedded. This links with opportunities for Child Dynamix to continue to support young people to participate in social action and develop the skills of our 'older' young people to then support other young people in this important work.

Structure, governance and management

Governing document

The Charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Child Dynamix is a company limited by guarantee and a registered charity. The company was legally incorporated on 11th March 2005 at Companies House, with a Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, who served during the year and up to the date of signature of the financial statements were:

J Boyd

B A Bradley

G E Coyle

P D Duffield

P M Perera

H Schofield

K Sturdy

(Resigned 28 April 2021)

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Recruitment and appointment of new trustees

The Trustees shall have power at any time to appoint any person to be a Trustee but so that the total number of Trustees shall not exceed the number determined under Article 34. Every Trustee shall retire on the third anniversary of his or her appointment. A Trustee due to retire on the third anniversary of his or her appointment may, with the approval of a majority of the Trustees, stand for re-appointment for a second three-year term so that Trustees may, if re-appointed, serve two consecutive three year terms. A Trustee standing for re-appointment for a second three-year term will be re-appointed as a Trustee if his or her re-appointment is subsequently approved by a majority of the Trustees. The Trustees may resolve by majority that because of exceptional circumstances a Trustee may hold office for a third three-year term. At the end of that third three-year term that Trustee shall retire so that no Trustee shall serve more than nine consecutive years. A Trustee who has served nine consecutive years must stand down for a period of at least one year before being re-appointed as a Trustee.

Organisational structure

The Trustees held five meetings during 2021 – 2022, including the annual general meeting in September. The board has delegated the day-to-day operations to the Senior Management Team made up of the CEO, the Head of Finance & HR, the Head of Childcare and the Children & Family Services Manager. These job roles are externally reviewed, evaluated and benchmarked to similar sector positions.

Finance Committee

- Mr P Duffield Finance Trustee and Chair
- Mr K Sturdy Finance Trustee
- Mrs P Perera Finance Trustee

HR and Scrutiny Committee

- Miss J Boyd Chair of the HR and Scrutiny Committee
- Mr G Coyle HR and Scrutiny Committee
- Mr B Bradley HR and Scrutiny Committee

Child Dynamix Trading Ltd: (wholly owned trading arm of Child Dynamix)

- Mrs P Perera Director of Child Dynamix Trading Ltd
- Mr B Bradley Director of Child Dynamix Trading Ltd

The Health and Safety internal audit of each of the charity's premises took place in January 2021. In response to COVID19, Health and Safety practice was reviewed throughout the year in response to national and local guidance and restrictions, with significant adaptations to our workspaces and deployment of staff.

Induction and training of new trustees

The charity has a comprehensive induction pack for new Trustees (The Trustee Handbook). This Handbook includes role descriptions, conflict of interest, and code of conduct, the Articles and policies including finance and reserves. All Trustees of the charity complete the volunteer recruitment process, which includes a DBS enhanced check and undertake safeguarding training. Induction meetings are held with the Chief Executive and/or Chair of the Board prior to the first Board meeting attended. Trustees are encouraged to attend seminars and conferences on Charity law and governance issues when they are able. Information from these events is provided at subsequent board meetings.

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

Risk management

Child Dynamix maintains a risk register; the register considers financial, reputational and operational risks to the charity and is agreed with the Board annually. The charity has systems and controls in place to manage the exposure to its significant risks. The risk register is referred to and updated if required in each Board meeting. In addition to this, the charity uses risk analysis at a project and service level.

Auditor

The auditor, TC Group, will be proposed for re-appointment at the forthcoming Annual General Meeting.

The trustees' report was approved by the Board of Trustees.

C M East

Company secretary

Dated: 15 September 2022

CHILD DYNAMIX

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2022

The Trustees, who are also the directors of Child Dynamix for the purpose of company law, are responsible for preparing the 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 which 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 the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

CHILD DYNAMIX

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CHILD DYNAMIX

Opinion

We have audited the financial statements of Child Dynamix (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, 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, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

CHILD DYNAMIX

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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 there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

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 purpose of company law, are responsible for the preparation of the financial statements and 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.

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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

CHILD DYNAMIX

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website as: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditors' report.

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Todd FCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor

Office: Beverley

23 September 2022

TC Group is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

CHILD DYNAMIX

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	3	1,394	-	1,394	6,325
<u>Charitable activities</u>					
Childcare	4	1,021,513	-	1,021,513	935,999
Youth, Sport and Play	4	452,970	62,497	515,467	478,528
C&YP activities	4	220,649	29,180	249,829	244,473
Core support	4	6,672	-	6,672	166,583
Other trading activities	5	-	-	-	1,490
Total income		1,703,198	91,677	1,794,875	1,833,398
Expenditure on:					
<u>Charitable activities</u>					
Childcare	6	818,084	-	818,084	727,423
Youth, Sport and Play	6	343,033	59,182	402,215	323,475
C&YP activities	6	194,796	32,986	227,782	235,342
Core support	6	281,819	-	281,819	280,895
Total charitable expenditure		1,637,732	92,168	1,729,900	1,643,722
Financing costs	11	18,375	-	18,375	16,875
Total resources expended		1,656,107	92,168	1,748,275	1,660,597
Net income/(expenditure) for the year/ Net movement in funds					
		47,091	(491)	46,600	172,801
Fund balances at 1 April 2021		775,346	51,673	827,019	654,218
Fund balances at 31 March 2022		822,437	51,182	873,619	827,019

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CHILD DYNAMIX

BALANCE SHEET

AS AT 31 MARCH 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Tangible assets	12	668,870		703,006	
Investments	13	10		10	
		<u>668,880</u>		<u>703,016</u>	
Current assets					
Debtors	14	23,097		26,426	
Cash at bank and in hand		499,502		568,205	
		<u>522,599</u>		<u>594,631</u>	
Creditors: amounts falling due within one year	16	<u>(90,550)</u>		<u>(237,410)</u>	
Net current assets		432,049		357,221	
Total assets less current liabilities		1,100,929		1,060,237	
Creditors: amounts falling due after more than one year	17	<u>(227,310)</u>		<u>(233,218)</u>	
Net assets		<u>873,619</u>		<u>827,019</u>	
Income funds					
Restricted funds	18	51,182		51,673	
Unrestricted funds		822,437		775,346	
		<u>873,619</u>		<u>827,019</u>	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 14 September 2022

B A Bradley
Trustee

Company Registration No. 05389477

CHILD DYNAMIX

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2022

		2022		2021	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	23		(63,193)		51,563
Investing activities					
Purchase of tangible fixed assets		(20,998)		(20,999)	
Net cash used in investing activities			(20,998)		(20,999)
Financing activities					
Repayment of bank loans		(5,170)		(4,756)	
Net cash used in financing activities			(5,170)		(4,756)
Net (decrease)/increase in cash and cash equivalents			(89,361)		25,808
Cash and cash equivalents at beginning of year			568,205		214,195
Cash and cash equivalents at end of year			499,502		568,205

1 Accounting policies

Charity information

Child Dynamix is a private company limited by guarantee incorporated in England and Wales. The registered office is 95 Preston Road, Hull, East Yorkshire, HU9 3QB, United Kingdom.

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Accounting convention

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies**(Continued)**

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% on cost
Leasehold land and buildings	over the period of the lease
Fixtures and fittings	50% on cost, 25% on cost and 20% on cost
Motor vehicles	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are measured at cost.

A subsidiary is an entity controlled by the charitable company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies

(Continued)

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

1 Accounting policies**(Continued)****1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements**Useful life of fixed assets**

The charitable company estimates the useful economic lives of fixed assets based in the expected period of use of the asset in operating the charitable company.

Carrying value of freehold property

The charitable company owns one property and this is stated at cost with depreciation being charged based on the useful economic life of the asset. The trustees review the carrying value of the property on an annual basis, in light of the condition of the property and the operating performance of the nursery.

3 Donations and legacies

	Unrestricted funds	Total
	2022	2021
	£	£
Donations and gifts	1,394	6,325
	=====	=====

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities

	Childcare		Youth, Sport and Play		C&YP activities		Core support		Total 2022	Total 2021
	2022	£	2022	£	2022	£	2022	£		£
Childcare	1,015,148		-		-		-		1,015,148	819,504
Commissioning services	-		398,205		210,649		-		608,854	597,557
Grants	-		103,496		39,180		-		142,676	250,946
Commercial income	4,584		13,766		-		6,672		25,022	12,664
Other income	1,781		-		-		-		1,781	144,912
	1,021,513		515,467		249,829		6,672		1,793,481	1,825,583
Analysis by fund										
Unrestricted funds	1,021,513		452,970		220,649		6,672		1,701,804	1,613,514
Restricted funds	-		62,497		29,180		-		91,677	212,069
	1,021,513		515,467		249,829		6,672		1,793,481	1,825,583
For the year ended 31 March 2021										
Unrestricted funds	935,999		448,577		211,173		17,765			1,613,514
Restricted funds	-		29,951		33,300		148,818			212,069
	935,999		478,528		244,473		166,583			1,825,583

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities						(Continued)	
	Childcare		Youth, Sport and Play		C&YP activities		Total
	2022	2022	2022	2022	2022	2022	2021
	£	£	£	£	£	£	£
Grants Received included in the above are as follows:							
Whats Your Game	-	34,499	-	-	-	34,499	-
Youth in Nature	-	3,780	-	-	-	3,780	-
Youth Dynamix	-	19,410	-	-	-	19,410	-
The Sylvia Adams Charitable Trust	-	-	13,242	-	-	13,242	33,300
Julia & Hans	-	-	-	-	-	-	44,961
Power to Change	-	-	-	-	-	-	25,000
National Lottery	-	-	-	-	-	-	74,607
Ernest Cook	-	-	15,938	-	-	15,938	4,250
Other grants	-	45,807	10,000	-	-	55,807	68,828
	-	103,496	39,180	-	-	142,676	250,946

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

5 Other trading activities

	Unrestricted funds	Total
	2022 £	2021 £
Fundraising events	-	1,490
	<u> </u>	<u> </u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

6 Charitable activities

	Childcare	Youth, Sport and Play	C&YP Core support activities		Total 2022	Total 2021
	2022	2022	2022	2022		
	£	£	£	£	£	£
Staff costs	648,093	272,096	148,355	194,421	1,262,965	1,234,991
Depreciation and impairment	1,013	2,580	4,442	26,101	34,136	43,748
Rent of building	60,647	3,000	-	-	63,647	43,061
Rates and water	1,645	2,354	2,733	-	6,732	3,767
Insurance	536	1,486	1,361	7,127	10,510	10,987
Light and heat	9,349	7,699	6,414	-	23,462	22,096
Telephone and internet	3,945	2,574	5,771	300	12,590	13,079
Postage and stationery	5,229	2,666	6,795	1,169	15,859	12,988
Sundries	(348)	1,193	96	8,891	9,832	12,186
Food	9,808	2,865	-	-	12,673	7,049
Equipment	-	214	-	-	214	723
Computer expenses	2,502	720	-	20,389	23,611	39,377
Repairs and renewals	5,356	8,618	15,167	4,038	33,179	38,862
Cleaning and refuse	14,284	12,664	24,033	-	50,981	47,344
Training	35,672	-	-	-	35,672	-
Courses and conferences	2,865	1,569	2,897	-	7,331	2,842
Other charitable expenditure	16,828	66,873	9,718	4,385	97,804	93,291
	817,424	389,171	227,782	266,821	1,701,198	1,626,391
Share of support costs (see note 7)	660	13,044	-	14,998	28,702	17,331
	818,084	402,215	227,782	281,819	1,729,900	1,643,722
Analysis by fund						
Unrestricted funds	818,084	343,033	194,796	281,819	1,637,732	1,417,612
Restricted funds	-	59,182	32,986	-	92,168	226,110
	818,084	402,215	227,782	281,819	1,729,900	1,643,722
For the year ended 31 March 2021						
Unrestricted funds	711,503	351,584	182,331	172,194		1,417,612
Restricted funds	-	42,674	35,049	148,387		226,110
	711,503	394,258	217,380	320,581		1,643,722

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

7 Support costs

	Support costs	Governance costs	2022	2021
	£	£	£	£
Auditors remuneration	-	6,336	6,336	4,724
Legal and professional fees	8,662	-	8,662	1,181
Management and administration	660	-	660	11,426
	<u>9,322</u>	<u>6,336</u>	<u>15,658</u>	<u>17,331</u>
Analysed between				
Charitable activities	<u>9,322</u>	<u>6,336</u>	<u>28,702</u>	<u>17,331</u>

8 Net movement in funds

	2022	2021
	£	£
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	6,336	4,724
Depreciation of owned tangible fixed assets	34,136	43,748
Fees payable to the company's auditor for payroll services	2,160	2,160
Operating lease charges	<u>45,575</u>	<u>46,637</u>

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2022 nor for the year ended 31st March 2021.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

10 Employees**Number of employees**

The average monthly number of employees during the year was:

	2022	2021
	Number	Number
Administration	10	10
Managers	9	9
Other	51	58
	<u>70</u>	<u>77</u>

Employment costs

	2022	2021
	£	£
Wages and salaries	1,146,196	1,128,495
Social security costs	77,438	73,925
Other pension costs	39,331	32,571
	<u>1,262,965</u>	<u>1,234,991</u>

There were no employees whose annual remuneration was £60,000 or more.

Key management personnel salaries

	2022	2021
	£	£
Wages and salaries	158,593	155,763
Social security costs	17,007	16,653
Other pension costs	5,161	4,163
	<u>180,761</u>	<u>176,579</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

11 Financing costs

	Unrestricted funds	Total
	2022	2021 £
Mortgage interest	18,375	16,875
	<u>18,375</u>	<u>16,875</u>

12 Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 April 2021	351,480	394,114	302,029	38,426	1,086,049
At 31 March 2022	<u>351,480</u>	<u>394,114</u>	<u>302,029</u>	<u>38,426</u>	<u>1,086,049</u>
Depreciation and impairment					
At 1 April 2021	28,127	49,154	269,569	36,193	383,043
Depreciation charged in the year	<u>7,032</u>	<u>17,144</u>	<u>9,401</u>	<u>559</u>	<u>34,136</u>
At 31 March 2022	<u>35,159</u>	<u>66,298</u>	<u>278,970</u>	<u>36,752</u>	<u>417,179</u>
Carrying amount					
At 31 March 2022	<u>316,321</u>	<u>327,816</u>	<u>23,059</u>	<u>1,674</u>	<u>668,870</u>
At 31 March 2021	<u>323,352</u>	<u>344,960</u>	<u>32,461</u>	<u>2,233</u>	<u>703,006</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

13 Fixed asset investments

		Other investments
Cost or valuation		
At 1 April 2021 & 31 March 2022		10
		<u> </u>
Carrying amount		
At 31 March 2022		10
		<u> </u>
At 31 March 2021		10
		<u> </u>

	Notes	2022 £	2021 £
Other investments comprise:			
Investments in subsidiaries	22	10	10
		<u> </u>	<u> </u>

14 Debtors

	2022 £	2021 £
Amounts falling due within one year:		
Trade debtors	21,095	23,283
Prepayments and accrued income	2,002	3,143
	<u> </u>	<u> </u>
	23,097	26,426
	<u> </u>	<u> </u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

15 Loans and overdrafts

	2022	2021
	£	£
Bank loans	233,218	238,728
	<u> </u>	<u> </u>
Payable within one year	5,908	5,510
Payable after one year	227,310	233,218
	<u> </u>	<u> </u>
Amounts included above which fall due after five years:		
Payable by instalments	199,090	206,900
	<u> </u>	<u> </u>

The loan is secured against the property and is repayable over 25 years at an interest rate of 7%.

16 Creditors: amounts falling due within one year

	Notes	2022	2021
		£	£
Bank loans	15	5,908	5,510
Other creditors		5,114	4,602
Accruals and deferred income		79,528	227,298
		<u> </u>	<u> </u>
		90,550	237,410
		<u> </u>	<u> </u>

17 Creditors: amounts falling due after more than one year

	Notes	2022	2021
		£	£
Bank loans	15	227,310	233,218
		<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 April 2021	Incoming resources	Resources expended	Balance at 31 March 2022
	£	£	£	£
Sleep Easy	2,748	-	-	2,748
Children in Need	2,978	-	-	2,978
Henry Smith Fund	44	22,637	(22,681)	-
Hut +	35,199	-	(2,152)	33,047
The Sylvia Adams Charitable Trust	6,445	13,242	(19,687)	-
Whats Your Game	264	34,499	(28,411)	6,352
Postcode Community Trust	3,563	-	(2,867)	696
National Lottery Grant	-	5,361	-	5,361
Ernest Cook	432	15,938	(16,370)	-
	<u>51,673</u>	<u>91,677</u>	<u>(92,168)</u>	<u>51,182</u>

Sleep Easy - This is a YMCA led annual fundraising event. It takes place during the last weekend in January each year when volunteers sleep rough for one night in makeshift dens and raise funds through sponsorship. Child Dynamix has partnered with YMCA Grimsby for the past 5 years and has received funding that supports young people facing homelessness.

Children in Need - This was a Play Project working with children over 5. A team of 3 play workers delivered sessions in communities around East Hull. The project promoted the importance of free play and the positive impact it has on Children's health and wellbeing. This project ended November 19 and it was agreed with CIN in March 2020 to deliver additional sessions with the underspend in 2020/21. Due to the pandemic, these sessions have not taken place yet.

Henry Smith Fund - This is funding enabling us to continue our 'Bump to Baby and Beyond' project that supports families at the very earliest opportunity engaging with parents in the third trimester of pregnancy. The project offers intensive support to ensure parents are well prepared for their parenting journey.

Hut+ - This is funding obtained to extend and refurbish our youth centre on the Preston Road Estate.

Sylvia Adams - This is our 'Bump to Baby and Beyond' project that supports families at the very earliest opportunity through engaging with parents in the third trimester of pregnancy. The project offers intensive support to ensure parents are well prepared for their parenting journey.

Whats Your Game - We deliver this project as a partner to Sanctuary Housing who secured the funding through Sport England Families Fund. The Community Facilitator works within the Sanctuary Housing area engaging and supporting families and the general community to become more physically active.

Postcode Community Trust - This funding provides community based physical activity classes. Classes include Clubbercise, Parent and Tots Dance and Early Years Gymnastics.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

18 Restricted funds

(Continued)

The National Lottery Coronavirus Community Support - This fund allowed us to purchase equipment for long term working from home arrangements, develop our website and online presence, production of online parenting courses, cycles, part fund salaries in response to increase in demand and core posts at risk. It also allowed us to invest in a web based HR software system and IT equipment. This fund enabled us to adapt our ways of working to continue to meet the needs of our service users at the time and in the future.

Ernest Cook - Ernest Cook has funded our Green Influencers Project for two years, commencing December 2020. The Green Influencers scheme encourages young people aged 10 – 14 years old across Hull to create meaningful connections with their natural environment and implement long-lasting change in their communities. This project is running across the city in local schools and youth centres, the project creates the opportunity to work with and learn from Green Influencers locally and across the country.

19 Analysis of net assets between funds

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:				
Tangible assets	602,358	66,512	668,870	703,006
Investments	10	-	10	10
Bank balances	478,778	20,724	499,502	204,797
Other current assets/(liabilities)	(31,399)	(36,054)	(67,453)	(32,447)
Long term liabilities	(227,310)	-	(227,310)	(243,900)
	<u>822,437</u>	<u>51,182</u>	<u>873,619</u>	<u>631,466</u>

CHILD DYNAMIX**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022****20 Operating lease commitments**

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2022	2021
	£	£
Within one year	36,575	36,575
Between two and five years	18,575	48,575
In over five years	30,000	45,575
	<u>85,150</u>	<u>130,725</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

22 Subsidiaries

Details of the charitable company's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Child Dynamix Trading Limited	95 Preston Road, Sale of donated goods Hull, East Yorkshire, HU9 3QB		Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Child Dynamix Trading Limited	-	(25,944)

The intention is that the subsidiary gift aids its profits to the charity. To date, the subsidiary has suffered losses and has not made any gift aid payments to the charity.

The results of the subsidiary are not consolidated within these financial statements as the subsidiary is dormant and the results are considered to be immaterial.

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23	Cash generated from operations	2022	2021
		£	£
	Surplus for the year	46,600	172,801
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	34,136	43,748
	Movements in working capital:		
	Decrease/(increase) in debtors	3,329	(4,150)
	(Decrease) in creditors	(147,258)	(52,130)
	Cash (absorbed by)/generated from operations	(63,193)	160,269

24	Analysis of changes in net funds	At 1 April 2021	Cash flows	At 31 March 2022
		£	£	£
	Cash at bank and in hand	568,205	(68,703)	499,502
	Loans falling due within one year	(5,510)	(398)	(5,908)
	Loans falling due after more than one year	(233,218)	5,908	(227,310)
		<u>329,477</u>	<u>(63,193)</u>	<u>266,284</u>

Accounts

Charity Registration No. 1109642

Company Registration No. 05389477 (England and Wales)

CHILD DYNAMIX

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

tc accounts • tax • legal • financial planning

74 Lairgate
Beverley
East Yorkshire
United Kingdom
HU17 8EU

	Page
Company information	1
Trustees' report	2 - 10
Statement of trustees' responsibilities	11
Independent auditor's report	12 - 15
Statement of financial activities	16
Balance sheet	17
Statement of cash flows	18
Notes to the financial statements	19 - 36

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	J Boyd	
	B A Bradley	
	G E Coyle	
	P D Duffield	
	P M Perera	
	K Sturdy	
Senior Management team	C M East	CEO/Company Secretary
	L Darnell	Head of HR and Finance
	N Clark	Head of Childcare
	A Wheal	Children & Family services manager
Charity number	1109642	
Company number	05389477	
Principal address	95 Preston Road Hull East Yorkshire United Kingdom HU9 3QB	
Registered office	95 Preston Road Hull East Yorkshire United Kingdom HU9 3QB	
Auditor	TC Group 74 Lairgate Beverley East Yorkshire United Kingdom HU17 8EU	

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2021

The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2021. The trustees have adopted the provisions of 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 (FRS 102) (effective 1 January 2019).

Objectives and activities

Objectives and aims

The Objects for which the Company is established are to promote social regeneration by providing relief, in particular but not exclusively to, children, young people and their families who are resident or employed across the Humber Sub-Region who have need because of age, mental or physical disability, poverty or addiction. In particular, but not so as to limit the generality of the foregoing to provide combinations of early years education, play work, youth work, community sports, family support and health advice, learning and employment services.

The vision and beliefs and Key priorities

Our vision is: Communities where children and young people thrive

Our purpose is: To create environments and deliver activities that enable children and young people to identify and realise both their aspirations and their potential.

How our activities deliver public benefit

Our main activities are described below and focus on the objectives for which Child Dynamix was created in 2005 including changes to these objectives in 2014. The services provided to children, young people and their families are for the most part free and all are open and accessible to all. Where there are fees to be charged there are opportunities for those unable to afford these fees to access the service via other funding streams i.e. local authority/social services, two-year-old funding and early year's education grants. In addition to this the charity now receives pupil premium for children in need within its Childcare settings. The trustees considered the Charity Commission's guidance on Public benefit when planning and developing the charity's activities at all of its meetings. For specific activities, funding is sought in partnership with the young person or group to enable them to achieve their aspirations. The Corporate Social Responsibility policy is embedded across the charity, this explains the way in which the charity supports other small community organisations, and takes a responsible approach to the environment.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Achievements and performance

Who used and benefited from our services:

Community Day Nurseries:

We have three day nurseries, two in East Hull (CDCN Preston Road and CDCN Savoy Road) and one in West Hull (CDCN Boulevard). Our day nurseries are engaging and stimulating learning environments for the children who attend. They play a key role in supporting families to access employment and learning opportunities.

2020 saw the beginning of significant challenges brought by Covid19 to our youngest children and their families. Our nurseries played a critical part in supporting key workers to continue to work and support vulnerable children in incredibly challenging times.

Childcare received national focus as the need for quality, flexible childcare was a critical factor in the national and local effort. During April to July 2020 only vulnerable children and children of key workers were entitled to attend nursery settings. Across the three nurseries, 230 key worker families including 236 children were entitled to access their nursery in the first lockdown. 42% used our settings. Our teams worked tirelessly to provide a safe environment and minimise the impact that restrictions had on the children. Members of staff went beyond providing 'typical' childcare to ensure children and their families had the support they needed. Funding from the National Lottery allowed us to transfer two nursery workers into family support roles. This was a critical change to support families to access foodbanks, food parcels and activity packs. When children did not attend, additional 'welfare' checks were made to ensure children and their families remained connected to their nursery and for staff to offer additional help where necessary.

Throughout this period, the nursery teams continued to monitor children's learning and development to ensure we minimised the impact of restrictions upon their outcomes. Analysis in October 2020 demonstrated that many children were not at age related expectations for learning and development. Many had been absent from their nursery for much of the year. With close observation, and implementation of an exciting and appropriate curriculum, alongside more consistent attendance, this is improving.

Across April 2020 – March 2021, there were 366 children on roll, with 14% of those children identified as having an additional need or disability. We supported 31 families to access 30-hour funding enabling them to access childcare to meet their needs.

Community services and activities: (children, young people and families)

Over the course of the year Child Dynamix staff and volunteers have worked with 1989 children and young people and 880 adults/carers in communities across Hull. We support our beneficiaries through:

- Little Stars Children's centre sits in the Early Help provision within the city of Hull. The team provides family support and a range of services for local families including parenting support, understanding children's behaviour with courses to help with parenting, child safety, infant feeding, budgeting, cooking and providing healthy meals, accessing early education funded nursery places and promotes parents' understanding of early childhood development. In this team we have a member of staff dedicated to supporting expectant mothers and their families until the baby is 18 months. Throughout the pandemic and national restrictions, the team has continued to provide all services to children and their families. They have taken some novel approaches, including online stay and play sessions and garden visits. They adapted their ways of working to ensure continuous support to parents to enable them to make the changes needed to improve outcomes for their children. The team approach of working closely with other professionals was a real strength in tackling the challenges that Covid brought. Their connections with Woodland School to joint-visit local families and conduct welfare checks was a strong local piece of work. The team is now responding to unprecedented numbers of referrals and requests for support as families continue to feel the impact of Covid on their lives.
- Our Parent Mentor service, part of HeadStart Hull, is housed in our Boulevard setting and supports families across the city. With training and support, the service enables parents with children aged 10 – 16 years to support other parents. This has brought many benefits to both the Mentor and parent; support predominantly focusses on the emotional health and well-being of their young person. Over the year this team has worked with a reduced number of volunteers as the volunteer has had to prioritise the needs of their own family, particularly when children were home-schooled. The team has found that in some cases parents have been reluctant to have their case closed, because they feel the long-term pressure of Covid upon their family and, especially, young person. The team has delivered online parenting courses and used virtual and telephone support alongside garden visits to ensure they remain connected to those in need.
- From The Hut Youth Centre we provide a range of services for the community and young people. The building's fantastic facilities include: a teaching kitchen with rise and fall worktops and accessible cooker, IT suite, dance and craft rooms. The facilities are available through sessions delivered by the team or for use by the community. The teams provide a range of services including one to one support, small group work and larger sessions with as many as 40 young people on a Friday night. The team also works in local community spaces, schools and sport fields to offer the widest variety of activities. Again, the team went to great lengths to ensure it could meet varying needs and stay connected to local children and young people. When schools were closed many young people lost contact with trusted adults and the team members recognised that they needed to work differently to stay connected. As restrictions changed, we were able to rely on outdoor activities to engage and help respond to the increasing demand for support, particularly around emotional health and wellbeing.

Young people

- Youth Commissioned Work - The youth team continues to deliver our commissioned youth provision across East Hull. The team works from The Hut, Eastmount Recreation Centre, Shelley Avenue and parks and open spaces across the area. Our commissioned partners, Maximum Life Youth Project and St. Stephens Neighbourhood Centre support with the delivery in the Greatfield and Ings communities.
- Youth in Nature - Youth in Nature is a partnership project with Probe and Yorkshire Wildlife Trust. The project focusses on the local environment as well as providing young people with new skills, knowledge and experiences. This is a citywide project, however significant investment has been made in a local area, specifically 'The Lozenge', which will be used as an extended delivery space for The Hut team.

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

- Green Influencers - The Green Influencers scheme encourages young people aged 10 – 14 years old across Hull to create meaningful connections with their natural environment and implement long-lasting change in their communities. This project is delivered across local schools and youth centres.
- Whats Your Game? - Is a partnership with Sanctuary Housing, the aim of the project is to help communities become more physically active by engaging in enjoyable, easy to access and arranged activities.
- Community Action Projects (CAP) - Funded through Clarion Housing and the # iwill fund, Child Dynamix offers a junior and a senior CAP project. These projects see young people explore issues in their local area and work to make a difference within their community

Awards

- Headstart Hull Mark of Excellence - In April 2020 we received our certificate recognising the work of our HeadStart Hull Parent Peer Mentor service within the broader HeadStart partnership. The HeadStart Hull Mark of Excellence was awarded to the team of staff and volunteers. Catherine Pepper, Community Policy and Practice Officer, Headstart Hull commented:
"It has been a pleasure to meet with you and hear your passion for helping parents and families across Hull, and I have been particularly impressed by how you and your staff and volunteers go the extra mile to meet the needs of some of the most vulnerable families in the city. Meeting with volunteers and service users gave me a real understanding of how the service can and does transform lives."
- Each year our Youth service is independently assessed for the Investors in Children Award. A representative from Investors in Children attends our sessions and talks to children and young people about the opportunities they are able to access and the Voice and Influence they have over the service. The team has been informed that it will receive a special award recognising that it has achieved Investors in Children for 10 consecutive years.

Surveys and feedback

We regularly carry out stakeholder surveys, evaluations and seek feedback to help us understand the impact the charity has had,

"I really, really enjoyed doing the course online. Face to face I would be more withheld and not share my thoughts and ideas. I've been talking about doing this course since my daughter had trouble at school with her anxiety because there wasn't enough time to attend in real life. You have reached out to people who may not have been able to attend" **(Volunteer feedback – Mentor Training March 2021)**

"The techniques from Talking Teens works with my oldest child. I really enjoyed it on Zoom and I felt so much more confident and felt like I attended because it was online. I was in my own home and felt like I contributed more with not going in a room with people I don't know. 'I honestly don't know what I would do without Child Dynamix, Liz has helped me so much and gets the ball rolling with agencies and gets things done. I tell the police and all my friends to refer to this service" **(Volunteer feedback – Mentor Training March 2021)**

Our family support service provide a wide range of help including support to expectant mothers and received this feedback: *"I had a bit of PND about 6 months after giving birth, the support given by [worker] helped me see it through and made me get the correct help I needed. Offered more help and made sure I was better"* **(Parent feedback LSCC October 2020)**

The support has been amazing. The only way I got through the first baby hurdles was with the support I received. No request that I asked for was I made to feel stupid or pointless or silly. Always met with enthusiasm even when I had none myself to give. I always left feeling much better and understood more and a happier, more confident parent. Thank you **(Parent feedback LSCC October 2020)**

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

"the updates I receive whilst he is at nursery are fantastic. I feel he is included in all activities and is exposed to new things" (Nursery parent feedback – February 2021)

"my son is very reserved and doesn't like going with people other than me and his dad and they give him the time and patience to come out of himself and he now loves going to nursery"
(Nursery parent feedback – February 2021)

Volunteering at Child Dynamix

Child Dynamix is the proud holder of the Investor in Volunteering standard, which was successfully renewed in April 2018. As of March 2021, we have 56 volunteers registered with the charity, representing 44% of our workforce. 70% of our volunteers are mentors, this is the largest number we have ever had within one specific service area. In the 12 months to March 2021, volunteers in the charity gave 881 hours of their time. Whilst this is a drop in time given from the previous year, it is representative of the reduced volunteer hours given due to Covid. In many ways, the data masks the significantly increased hours given by our Trustees, also volunteers. They met and engaged regularly as a group or individually with particular members of staff to navigate the various challenges Covid brought to the charity.

Charity events and fundraising

Unfortunately, Covid halted many of the events and fundraising activities that we would normally have. Restrictions meant many were unable to take part, and staff time was prioritised to critical areas of delivery to ensure we met the needs of our beneficiaries. As restrictions change, especially in the coming financial year, we expect to hold events but they are likely to be different from those in our usual events calendar. The Hull Run For All is postponed until 2022 due to Covid and public realm work taking place in the city centre.

Financial review

In comparison to previous years income, taking in to account the impact of Covid 19 on operations, additional funds were sourced to support the central functions of the charity totalling over £140,000. These funds supported core salaries, home working equipment and the costs of adjusting buildings and activities to meet social distancing guidance. The charity saw a loss of income through its childcare provision, events and room hire services and accessed the furlough scheme accordingly as it navigated its way through the financial year and the restrictions imposed. Any surplus made is used to further the charitable activities and or retain services should external causes have a detrimental effect on operations in the future.

Investment policy and objectives

Under the Articles of Association, the charity has the power to invest in any way the trustees wish.

Reserves policy

Child Dynamix reserves following our twelfth year of operations stand at £827,019.

Of this figure £775,346 are unrestricted reserves and £51,673 are restricted reserves. A breakdown of the £51,673 restricted fund balances carried forward is shown in note 18 on page 32.

The Trustees of Child Dynamix aim to secure a minimum cash reserve of £230,000 which represents 17% of the Charity's average turnover (10 years). Close monitoring of the reserves is essential in helping us meet the demands of our strategic plan over the next three to five years. The target reserves amount of £230,000 has been calculated based on continuity planning taking account of the Charity's liabilities. This reserve also provides the Charity's cash flow.

First and foremost, the Charity needs reserves to provide working capital to support its day to day operations, which is vital when waiting for invoices to be paid. Some contracts can be paid in arrears leaving the Charity to cover general revenue costs for up to two months. Furthermore, many new funding streams are issued on a payment by results basis, which might split funding by as much as 50% which also then requires the Charity to hold funds to cover the full costs until final payment is made. The Trustees would also consider proposals from the Charity's Officers to create seed funding for development of new vital services, and finally the Trustees may be asked to consider extending individuals or team contracts for interim periods of no more than 3 months to bridge gaps where new funding has been secured but a gap is created between funding streams.

The Trustees have provision for the appointment of a Finance Trustee who, under the Articles of Association (reviewed 2014) has responsibility for monitoring and reviewing the agreed steps the charity has taken to establish and or maintain the reserves and for any proposals for using reserves. The responsibility, should the Charity face closure, will impact on the whole Trustee group, including the Finance Trustee, who would work with the Chief Executive Officer and senior leadership team.

The level of reserves set by the Trustees (see above) where possible, are grown through our Social Enterprise activities, which have three to five year financial plans. The reserves development and maintenance forms part of the general management accounting the Charity carries out, which takes place weekly, monthly and quarterly at differing levels. The Head of Finance and Human Resources creates actual to projected reports on a quarterly basis to the Finance committee and then on to the Board.

Future plans

Child Dynamix knows that to enable children and young people to thrive we need to support the whole family unit. Our themes of work: early years and childcare, family support and services for children and young people offer both universal and targeted support. Levels and intensity of support differ depending on the presenting needs, but we recognise the many strengths children, young people and their families have. We see these as a positive starting point to enable people to make long-lasting change with support from our staff and volunteers.

As we enter a new financial year, we will see how many of the restrictions that have dominated 2020 are lifted and further expose the impact they have had on our communities. We are already seeing high levels of referrals coming into our services and recognise our plans must tackle the issues our beneficiaries are presenting. These include emotional and mental health, domestic violence, missed learning opportunities and unemployment. We know through our own analysis that our youngest children are not at age related expectations, which is a key focus for the coming year.

The next financial year sees the end of our successful Youth in Nature project which will be a significant loss to our service delivery. The project has had strong outcomes for young people with poor mental health and would be a key area of support as we emerge from lockdown. We continue to source funding to continue this area of work.

We also see the recommissioning of our Parent Mentor service and are hopeful that this contract can be retained and extended to children from 5 years. This strong citywide project has wide-ranging outcomes for both parents, mentors and young people.

Structure, governance and management

Governing document

The Charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Child Dynamix is a company limited by guarantee and a registered charity. The company was legally incorporated on 11th March 2005 at Companies House, with a Memorandum and Articles of Association.

The trustees, who are also the directors for the purpose of company law, who served during the year and up to the date of signature of the financial statements were:

J Boyd

B A Bradley

R M A Clarke

(Resigned 8 December 2020)

G E Coyle

P D Duffield

P M Perera

H Schofield

(Resigned 28 April 2021)

K Sturdy

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Recruitment and appointment of new trustees

The Trustees shall have power at any time to appoint any person to be a Trustee but so that the total number of Trustees shall not exceed the number determined under Article 34. Every Trustee shall retire on the third anniversary of his or her appointment. A Trustee due to retire on the third anniversary of his or her appointment may, with the approval of a majority of the Trustees, stand for re-appointment for a second three-year term so that Trustees may, if re-appointed, serve two consecutive three year terms. A Trustee standing for re-appointment for a second three-year term will be re-appointed as a Trustee if his or her re-appointment is subsequently approved by a majority of the Trustees. The Trustees may resolve by majority that because of exceptional circumstances a Trustee may hold office for a third three-year term. At the end of that third three-year term that Trustee shall retire so that no Trustee shall serve more than nine consecutive years. A Trustee who has served nine consecutive years must stand down for a period of at least one year before being re-appointed as a Trustee.

Organisational structure

Child Dynamix Trustees held five meetings during 2020-2021 including the annual general meeting in September. The board has delegated powers of the day-to-day operations to the Senior Management Team made up of the CEO, Head of Finance & HR and the Head of Childcare and Children & Family Services Manager who lead each activity area. These job roles are externally reviewed, evaluated and benchmarked to similar sector positions.

Finance Committee

- Mr P Duffield Finance Trustee and Chair
- Mr K Sturdy Finance Trustee
- Mrs P Perera Finance Trustee

HR and Scrutiny Committee

- Miss H Schofield Chair of the HR and Scrutiny Committee
- Miss J Boyd HR and Scrutiny Committee
- Mr R Clarke HR and Scrutiny Committee - resigned 8th December 2020

Child Dynamix Trading Ltd: (wholly owned trading arm of Child Dynamix)

- Mrs P Perera Director of Child Dynamix Trading Ltd
- Mr B Bradley Director of Child Dynamix Trading Ltd

The Health and Safety internal audit of each of the charity's premises took place in January 2021. In response to COVID19, Health and Safety practice was reviewed throughout the year in response to national and local guidance and restrictions, with significant adaptations to our workspaces and deployment of staff.

Induction and training of new trustees

The charity has a comprehensive induction pack for new Trustees (The Trustee Handbook). This Handbook includes role descriptions, conflict of interest, and code of conduct, the Articles and policies including finance and reserves. All Trustees of the charity complete the volunteer recruitment process, which includes a DBS enhanced check and undertake safeguarding training. Induction meetings are held with the Chief Executive and/or Chair of the Board prior to the first Board meeting attended. Trustees are encouraged to attend seminars and conferences on Charity law and governance issues when they are able. Information from these events is provided at subsequent board meetings.

CHILD DYNAMIX

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Risk management

Child Dynamix maintains a risk register; the register considers financial, reputational and operational risks to the charity and is agreed with the Board annually. The charity has systems and controls in place to manage the exposure to its significant risks. The risk register is referred to and updated if required in each Board meeting. In addition to this, the charity uses risk analysis at a project and service level.

Auditor

The auditor, TC Group, will be proposed for re-appointment at the forthcoming Annual General Meeting.

The trustees' report was approved by the Board of Trustees.

C M East

Company secretary

Dated: 29 September 2021

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2021

The Trustees, who are also the directors of Child Dynamix for the purpose of company law, are responsible for preparing the 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 which 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 the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and 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.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

CHILD DYNAMIX

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF CHILD DYNAMIX

Opinion

We have audited the accounts of Child Dynamix for the year ended 31 March 2020 which comprise the statement of financial activity, the balance sheet, the statement of cash flows and notes to the financial statements, 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, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 2020 and the charity's surplus or deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating 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 trustees' report (incorporating the directors' report).

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

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 purpose of company law, are responsible for the preparation of the financial statements and 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.

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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

Auditor's responsibilities for the audit of the financial statements

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 an auditor's report 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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Extent to which the audit was considered capable of detecting irregularities, including fraud

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF CHILD DYNAMIX

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website as: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditors' report.

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Todd FCA (Senior Statutory Auditor)
for and on behalf of TC Group

Statutory Auditor
Office: Beverley

5 October 2021

TC Group is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

CHILD DYNAMIX

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Income from:					
Donations and legacies	3	6,325	-	6,325	16,353
<u>Charitable activities</u>					
Childcare	4	935,999	-	935,999	901,773
Youth, Sport and Play	4	448,577	29,951	478,528	463,820
Children and young people's activities	4	211,173	33,300	244,473	323,980
Core support	4	17,765	148,818	166,583	-
Other trading activities	5	1,490	-	1,490	16,585
Total income		1,621,329	212,069	1,833,398	1,722,511
Expenditure on:					
<u>Charitable activities</u>					
Childcare	6	711,503	-	711,503	727,423
Youth, Sport and Play	6	351,584	42,674	394,258	323,475
C&YP activities	6	182,331	35,049	217,380	235,342
Core support	6	172,194	148,387	320,581	280,895
Total charitable expenditure		1,417,612	226,110	1,643,722	1,641,201
Financing costs	11	16,875	-	16,875	17,291
Total resources expended		1,434,487	226,110	1,660,597	1,658,492
Net income/(expenditure) for the year/ Net movement in funds		186,842	(14,041)	172,801	64,019
Fund balances at 1 April 2020		588,504	65,714	654,218	590,199
Fund balances at 31 March 2021		775,346	51,673	827,019	654,218

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

CHILD DYNAMIX

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12	703,006		725,758	
Investments	13	10		10	
		<u>703,016</u>		<u>725,768</u>	
Current assets					
Debtors	14	26,426		47,000	
Cash at bank and in hand		568,205		206,435	
		<u>594,631</u>		<u>253,435</u>	
Creditors: amounts falling due within one year	16	(237,410)		(86,257)	
Net current assets		<u>357,221</u>		<u>167,178</u>	
Total assets less current liabilities		<u>1,060,237</u>		<u>892,946</u>	
Creditors: amounts falling due after more than one year	17	(233,218)		(238,728)	
Net assets		<u>827,019</u>		<u>654,218</u>	
Income funds					
Restricted funds	18	51,673		65,714	
Unrestricted funds		775,346		588,504	
		<u>827,019</u>		<u>654,218</u>	

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 29 September 2021

B A Bradley

Trustee

Company Registration No. 05389477

CHILD DYNAMIX

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from operations	23		387,938		51,563
Investing activities					
Purchase of tangible fixed assets		(20,998)		(54,567)	
Net cash used in investing activities			(20,998)		(54,567)
Financing activities					
Repayment of bank loans		(5,170)		(4,756)	
Net cash used in financing activities			(5,170)		(4,756)
Net increase/(decrease) in cash and cash equivalents			361,770		(7,760)
Cash and cash equivalents at beginning of year			206,435		214,195
Cash and cash equivalents at end of year			568,205		206,435

1 Accounting policies

Charity information

Child Dynamix is a private company limited by guarantee incorporated in England and Wales. The registered office is 95 Preston Road, Hull, East Yorkshire, HU9 3QB, United Kingdom.

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

1.1 Accounting convention

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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 (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

Shortly before the end of the previous financial year the UK Government's measures to tackle the COVID-19 pandemic were announced, and these are still ongoing.

The nurseries all had to close for a time during the first UK lockdown, and were operating at reduced capacity for a period ending July 2020. The capacity in the nurseries is now back up to levels recorded before the pandemic.

The Coronavirus Job Retention Scheme (CRJS) has assisted with cash flow, and as time progressed fewer and fewer staff were furloughed. No employees have been furloughed since 31st March 2021.

The pandemic has changed all aspects of service delivery which Child Dynamix offers but the charitable company was able to deliver throughout the resulting lockdowns, altering services and revising ways of working. This meant staff could continue to support vulnerable children and young people from home, only coming onsite for specific tasks and conducting home/garden visits when safe to do so.

At the time of approving the financial statements, the charitable company has revised cash flows and budgets and extended these for a longer time period. Assumptions used reflect the impact of COVID-19 and analysis on current circumstances.

Based on their forecasts the trustees have a reasonable expectation that the charitable company has adequate resources to contend with the continuing uncertainties that may arise as a result of the COVID-19 pandemic, and to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

1.4 Incoming resources

Income is recognised when the charitable company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

1.5 Resources expended

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% on cost
Leasehold land and buildings	over the period of the lease
Fixtures and fittings	50% on cost, 25% on cost and 20% on cost
Motor vehicles	25% on reducing balance

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

1.7 Fixed asset investments

Fixed asset investments are measured at cost.

A subsidiary is an entity controlled by the charitable company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.8 Impairment of fixed assets

At each reporting end date, the charitable company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.10 Financial instruments

The charitable company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charitable company's balance sheet when the charitable company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charitable company's contractual obligations expire or are discharged or cancelled.

1.11 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

2 Critical accounting estimates and judgements

In the application of the charitable company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Critical judgements**Useful life of fixed assets**

The charitable company estimates the useful economic lives of fixed assets based in the expected period of use of the asset in operating the charitable company.

Carrying value of freehold property

The charitable company owns one property and this is stated at cost with depreciation being charged based on the useful economic life of the asset. The trustees review the carrying value of the property on an annual basis, in light of the condition of the property and the operating performance of the nursery.

3 Donations and legacies

	Unrestricted funds	Total
	2021	2020
	£	£
Donations and gifts	6,325	16,353
	<u> </u>	<u> </u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

	Childcare Youth, Sport and Play		C&YP activities	Core support	Total 2021	Total 2020
	2021	2021	2021	2021		
	£	£	£	£	£	£
Childcare	819,504	-	-	-	819,504	896,569
Commissioning services	-	392,408	205,149	-	597,557	527,898
Grants	-	68,828	33,300	148,818	250,946	243,022
Commercial income	4,584	8,080	-	-	12,664	22,084
Other income	111,911	9,212	6,024	17,765	144,912	-
	<u>935,999</u>	<u>478,528</u>	<u>244,473</u>	<u>166,583</u>	<u>1,825,583</u>	<u>1,689,573</u>
Analysis by fund						
Unrestricted funds	935,999	448,577	211,173	17,765	1,613,514	1,518,024
Restricted funds	-	29,951	33,300	148,818	212,069	171,549
	<u>935,999</u>	<u>478,528</u>	<u>244,473</u>	<u>166,583</u>	<u>1,825,583</u>	<u>1,689,573</u>
For the year ended 31 March 2020						
Unrestricted funds	896,979	579,448	361,313	-		1,518,024
Restricted funds	-	64,193	52,354	-		171,549
	<u>901,773</u>	<u>463,820</u>	<u>323,980</u>	<u>-</u>		<u>1,689,573</u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

4 Charitable activities

(Continued)

	Childcare Youth, Sport and Play		C&YP activities	Core support	Total 2021	
	2021	2021	2021	2021		
	£	£	£	£	£	
Grants received included in the above are as follows:						
Hull City Council	-	-	-	-	-	33,158
BBC Children in Need	-	-	-	-	-	24,560
Big Lottery	-	-	-	-	-	24,352
Street Games	-	-	-	-	-	2,000
Power to change	-	-	-	-	-	440
London Community Foundation	-	-	-	-	-	480
Henry Smith Charity	-	-	-	-	-	23,518
The Sylvia Adams Charitable Trust	-	-	33,300	-	33,300	32,505
Reaching Communities	-	8,040	-	-	8,040	-
Julia & Hans	-	44,961	-	-	44,961	-
Power to Change	-	25,000	-	-	25,000	-
National Lottery	-	74,607	-	-	74,607	-
Ernest Cook	-	4,250	-	-	4,250	-
Other grants	-	60,788	-	-	60,788	102,009
	<u>-</u>	<u>68,828</u>	<u>33,300</u>	<u>148,818</u>	<u>250,946</u>	<u>243,022</u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Other trading activities

	Unrestricted funds	Total
	2021 £	2020 £
Fundraising events	1,490	16,585
	<u> </u>	<u> </u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

	Children and young people's Core support activities				Total 2021	Total 2020
	Childcare	Youth, Sport and Play	2021	2021		
	2021	2021	2021	2021		
	£	£	£	£	£	£
Staff costs	598,753	279,475	144,414	212,349	1,234,991	1,269,191
Depreciation and impairment	7,745	2,772	4,700	28,531	43,748	43,824
Rent of building	40,061	3,000	-	-	43,061	49,647
Rates and water	734	1,466	1,567	-	3,767	9,689
Insurance	556	2,003	1,302	7,126	10,987	12,174
Light and heat	8,969	7,868	5,259	-	22,096	23,648
Telephone and internet	3,354	2,587	5,522	1,616	13,079	11,618
Postage and stationery	4,161	1,773	6,006	1,048	12,988	15,864
Sundries	813	2,518	120	8,735	12,186	7,240
Food	7,049	-	-	-	7,049	1,616
Equipment	-	723	-	-	723	226
Computer expenses	2,160	3,227	-	33,990	39,377	17,661
Repairs and renewals	6,107	9,933	19,464	3,358	38,862	44,442
Cleaning and refuse	13,831	12,632	20,881	-	47,344	49,297
Training	2,071	456	315	-	2,842	7,617
Courses and conferences	-	-	-	4,825	4,825	1,038
Consumables	6,323	934	157	3,010	10,424	19,914
Publicity	-	-	-	75	75	5,596
Debts written off	8,156	-	-	-	8,156	9,495
Excursions, trips and activities	-	50,038	4,562	-	54,600	20,934
Motor vehicle expenses	-	3,106	-	970	4,076	7,473
Volunteer expenses	-	2,215	-	-	2,215	6,843
Homeworking costs	-	-	-	8,920	8,920	-
	710,843	386,726	214,269	314,553	1,626,391	1,635,047
Share of support costs (see note 7)	660	7,532	3,111	6,028	17,331	6,154
	711,503	394,258	217,380	320,581	1,643,722	1,641,201

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

6 Charitable activities

(Continued)

Analysis by fund

Unrestricted funds	711,503	351,584	182,331	172,194	1,417,612	1,485,266
Restricted funds	-	42,674	35,049	148,387	226,110	155,935
	<u>711,503</u>	<u>394,258</u>	<u>217,380</u>	<u>320,581</u>	<u>1,643,722</u>	<u>1,641,201</u>

For the year ended 31 March 2020

Unrestricted funds	727,423	322,864	155,345	280,895		1,485,266
Restricted funds	-	611	79,997	-		155,935
	<u>727,423</u>	<u>323,475</u>	<u>235,342</u>	<u>280,895</u>		<u>1,641,201</u>

7 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Audit fees	-	4,724	4,724	5,090
Legal and professional	-	1,181	1,181	220
Management and administration	-	11,426	11,426	-
	<u>-</u>	<u>17,331</u>	<u>17,331</u>	<u>6,154</u>
Analysed between				
Charitable activities	-	17,331	17,331	6,154
	<u>-</u>	<u>17,331</u>	<u>17,331</u>	<u>6,154</u>

8 Net movement in funds

2021
£

2020
£

Net movement in funds is stated after charging/(crediting)

Fees payable to the company's auditor for the audit of the company's financial statements	4,724	5,090
Depreciation of owned tangible fixed assets	43,748	43,824
Fees payable to the company's auditor for payroll services	2,160	2,160
Other operating leases	46,637	49,647
	<u></u>	<u></u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31st March 2021 nor for the year ended 31st March 2020.

10 Employees**Number of employees**

The average monthly number of employees during the year was:

	2021	2020
	Number	Number
Administration	10	10
Managers	9	9
Other	58	61
	<u>77</u>	<u>80</u>

Employment costs

	2021	2020
	£	£
Wages and salaries	1,128,495	1,169,380
Social security costs	73,925	75,697
Other pension costs	32,571	24,114
	<u>1,234,991</u>	<u>1,269,191</u>

There were no employees whose annual remuneration was £60,000 or more.

Key management personnel salaries

	2021	2020
	£	£
Wages and salaries	158,593	155,763
Social security costs	17,007	16,653
Other pension costs	5,161	4,163
	<u>180,761</u>	<u>176,579</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Financing costs

	Unrestricted funds	Total
	2021	2020
		£
Mortgage interest	16,875	17,291
	<u>16,875</u>	<u>17,291</u>

12 Tangible fixed assets

	Freehold land and buildings	Leasehold land and buildings	Fixtures and fittings	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2020	351,480	393,246	281,898	38,426	1,065,050
Additions	-	868	20,131	-	20,999
	<u>351,480</u>	<u>394,114</u>	<u>302,029</u>	<u>38,426</u>	<u>1,086,049</u>
At 31 March 2021	351,480	394,114	302,029	38,426	1,086,049
Depreciation and impairment					
At 1 April 2020	21,096	32,010	250,741	35,448	339,295
Depreciation charged in the year	7,032	17,144	18,827	745	43,748
	<u>28,128</u>	<u>49,154</u>	<u>269,568</u>	<u>36,193</u>	<u>383,043</u>
At 31 March 2021	28,128	49,154	269,568	36,193	383,043
Carrying amount					
At 31 March 2021	<u>323,352</u>	<u>344,960</u>	<u>32,461</u>	<u>2,233</u>	<u>703,006</u>
At 31 March 2020	<u>330,384</u>	<u>361,236</u>	<u>31,160</u>	<u>2,978</u>	<u>725,758</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

13 Fixed asset investments

	Other investments
Cost or valuation	
At 1 April 2020 & 31 March 2021	10
	<u> </u>
Carrying amount	
At 31 March 2021	10
	<u> </u>
At 31 March 2020	10
	<u> </u>

	2021	2020
	£	£
Other investments comprise:		
Investments in subsidiaries	10	10
	<u> </u>	<u> </u>

14 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	23,283	34,187
Amounts owed by subsidiary undertakings	-	6,237
Prepayments and accrued income	3,143	6,576
	<u> </u>	<u> </u>
	26,426	47,000
	<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

15 Loans and overdrafts

	2021	2020
	£	£
Bank loans	238,728	243,900
	<u> </u>	<u> </u>
Payable within one year	5,510	5,172
Payable after one year	233,218	238,728
	<u> </u>	<u> </u>
Amounts included above which fall due after five years:		
Payable by instalments	206,900	214,184
	<u> </u>	<u> </u>

The loan is secured against the property and is repayable over 25 years at an interest rate of 7%.

16 Creditors: amounts falling due within one year

	Notes	2021	2020
		£	£
Bank loans	15	5,510	5,172
Other creditors		4,602	3,665
Accruals and deferred income		227,298	77,420
		<u> </u>	<u> </u>
		237,410	86,257
		<u> </u>	<u> </u>

17 Creditors: amounts falling due after more than one year

	Notes	2021	2020
		£	£
Bank loans	15	233,218	238,728
		<u> </u>	<u> </u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			
	Balance at 1 April 2020	Incoming resources	Resources expended	Balance at 31 March 2021
	£	£	£	£
Sleep Easy	2,714	34	-	2,748
Children in Need	2,978	-	-	2,978
Henry Smith Fund	60	-	(16)	44
Hut +	37,389	-	(2,190)	35,199
The Sylvia Adams Charitable Trust	5,988	33,300	(32,843)	6,445
Whats Your Game	4,982	21,877	(26,595)	264
Postcode Community Trust	3,563	-	-	3,563
Reaching Communities	8,040	8,040	(16,080)	-
Julia & Hans	-	44,961	(44,961)	-
Power 2 Change	-	25,000	(25,000)	-
National Lottery Grant	-	74,607	(74,607)	-
Ernest Cook	-	4,250	(3,818)	432
	<u>65,714</u>	<u>212,069</u>	<u>(226,110)</u>	<u>51,673</u>

Sleep Easy - This is a YMCA led annual fundraising event. It takes place during the last weekend in January each year when volunteers sleep rough for one night in makeshift dens and raise funds through sponsorship. Child Dynamix has partnered with YMCA Grimsby for the past 5 years and has received funding that supports young people facing homelessness.

Children in Need - This is a play project working with children over 5. The team of three play workers deliver sessions in communities around East Hull. The project promotes the importance of free play and the positive impact it has on children's health and wellbeing.

Henry Smith Fund - This Parent Peer Mentor project is focused on working with families with children from 5-10 years old. We recruit and train parents to be mentors and then match them with families in need to provide one to one support, initially over a 6 week period and longer if needed. The aim of the project is to improve confidence and self-esteem and have a positive impact on parenting.

Hut+ - This is funding obtained to extend and refurbish our youth centre on the Preston Road Estate.

Sylvia Adams - This is our 'Bump to Baby and Beyond' project that supports families at the very earliest opportunity through engaging with parents in the third trimester of pregnancy. The project offers intensive support to ensure parents are well prepared for their parenting journey.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Restricted funds**(Continued)**

Whats Your Game - We deliver this project as a partner to Sanctuary Housing who secured the funding through Sport England Families Fund. The Community Facilitator works within the Sanctuary Housing area engaging and supporting families and the general community to become more physically active.

Postcode Community Trust - This funding provides community based physical activity classes. Classes include Clubbercise, Parent and Tots Dance and Early Years Gymnastics.

Reaching Communities - This funding allowed us to recruit our 'Events and Facilities Coordinator'. This role will focus on maximizing income generation for The Hut through room hire and fundraising opportunities.

The National Lottery Coronavirus Community Support - This fund allowed us to purchase equipment for long term working from home arrangements, develop our website and online presence, production of online parenting courses, cycles, part fund salaries in response to increase in demand and core posts at risk. It also allowed us to invest in a web based HR software system and IT equipment. This fund enabled us to adapt our ways of working to continue to meet the needs of our service users at the time and in the future.

Power 2 Change - This fund allowed us to adapt our work spaces to meet covid regulations and guidance. Additional resources were purchased for use in our childcare settings and part funded salaries at risk.

Ernest Cook - Ernest Cook has funded our Green Influencers Project for two years, commencing December 2020. The Green Influencers scheme encourages young people aged 10 – 14 years old across Hull to create meaningful connections with their natural environment and implement long-lasting change in their communities. This project is running across the city in local schools and youth centres, the project creates the opportunity to work with and learn from Green Influencers locally and across the country.

Julia and Hans Rausing Trust - This fund part funded core salaries that were at risk due to reduced trading income for a period of 6 months. The funding has been invaluable to the team being able to make the necessary changes to its operations and having a full complement of core staff to support the wider charity services as it has navigated its way through uncertain times.

19 Analysis of net assets between funds

	Unrestricted	Restricted	Total	Total
	2021	2021	2021	2020
	£	£	£	£
Fund balances at 31 March 2021 are represented by:				
Tangible assets	655,982	47,024	703,006	725,758
Investments	10	-	10	10
Bank balances	508,947	59,258	568,205	204,797
Other current assets/(liabilities)	(150,865)	(54,609)	(205,474)	(32,447)
Long term liabilities	(238,728)	-	(238,728)	(243,900)
	<u>775,346</u>	<u>51,673</u>	<u>827,019</u>	<u>654,218</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20 Operating lease commitments

At the reporting end date the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021	2020
	£	£
Within one year	36,575	34,876
Between two and five years	48,575	76,876
In over five years	45,575	48,752
	<u>130,725</u>	<u>160,504</u>

21 Related party transactions

There were no disclosable related party transactions during the year (2020 - none).

22 Subsidiaries

Details of the charitable company's subsidiaries at 31 March 2021 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Child Dynamix Trading Limited	95 Preston Road, Hull, East Yorkshire, HU9 3QB	Sale of donated goods	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Child Dynamix Trading Limited	2,445	(25,944)

The intention is that the subsidiary gift aids its profits to the charity. To date, the subsidiary has suffered losses and has not made any gift aid payments to the charity.

The results of the subsidiary are not consolidated within these financial statements as the subsidiary is dormant and the results are considered to be immaterial.

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

23	Cash generated from operations	2021 £	2020 £
	Surplus for the year	172,801	64,019
	Adjustments for:		
	Depreciation and impairment of tangible fixed assets	43,748	43,824
	Movements in working capital:		
	Decrease/(increase) in debtors	20,574	(4,150)
	Increase/(decrease) in creditors	150,815	(52,130)
	Cash generated from operations	387,938	51,563

24	Analysis of changes in net funds/(debt)	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
	Cash at bank and in hand	206,435	361,770	568,205
	Loans falling due within one year	(5,172)	(338)	(5,510)
	Loans falling due after more than one year	(238,728)	5,510	(233,218)
		<u>(37,465)</u>	<u>366,942</u>	<u>329,477</u>