QUAGGY DEVELOPMENT TRUST

England & Wales · Charity number 1109711

Details

Other names	QUAGGY CHILDRENS CENTRE
Status	Registered
Legal form	Charitable company
Company number	04749158
Registered	2005-05-26
Register	View on the Charity Commission register

Contact

Address	Quaggy Childrens Centre Orchard Hill London SE13 7QZ
Phone	02084659785
Email	info@quaggychildrenscentre.org.uk
Website	www.quaggydevelopmenttrust.org

Activities

Objects: 1.1 The Charity's objects ("the Objects") are the promotion for the public benefit of urban regeneration in areas of social and economic deprivation (and in particular the area of benefit) by all or any of the following means:1.1.1 The development of the capacity and skills of the members of the area of benefit in such a way that they are better able to identify and help meet their needs, and to participate more fully in society.1.1.2 The relief of poverty in such ways as may be thought fit. 1.1.3 The relief of unemployment in such ways as may be thought fit.1.1.4 The advancement of education, training or retraining, particularly among unemployed people, and providing employed people with work experience.1.1.5 The provision of recreational facilities for the public at large and/or those who by reasons of their youth, age, infirmity or disability, poverty or social and economic circumstances have need of such facilities.1.1.6 The provision of public health facilities and childcare.1.1.7 The provision of public safety and prevention of crime.1.1.8 Such other means as may from time to time be determined, subject to the prior consent of the Charity Commissioners for England and Wales. The area of benefit is the West Ward of the Royal Borough of Greenwich, and the immediate surrounding area.

Activities: Promotion for the public benefit of urban regeneration in areas of social and economic deprivation and, in particular,the area of benefitDelivery of Early education and childcare and Children CentresOther

Downloaded from opencharities.uk/ew/1109711

activities for the enhancement and benefit of the local area

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, The Prevention Or Relief Of Poverty, Economic/community Development/employment
- **Who:** Children/young People, Elderly/old People, The General Public/mankind

Geography

- **Area of benefit:** COLDBATH AND ORCHARD ESTATES IN THE LONDON BOROUGH OF GREENWICH AND THE IMMEDIATE SURROUNDING AREA.
- Greenwich
- Lewisham

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,741,372	£2,367,810	£3,786,628	52
2024-03-31	£2,863,284	£2,328,721	£3,445,754	52
2023-03-31	£2,248,580	£2,001,576	£2,834,642	52
2022-03-31	£3,109,881	£2,914,671	£2,433,857	54
2021-03-31	£3,265,965	£3,072,650	£2,224,637	61

Trustees

Name	Role	Appointed
Natalie Meguerditchian	Chair	2017-07-18
Beatrice-Mihaela Panduru		2022-05-24
Jonathan Qureshi		2025-03-18
SIMON RILEY		2010-04-20

Downloaded from opencharities.uk/ew/1109711

QUAGGY DEVELOPMENT TRUST

England & Wales - Charity number 1109711

Accounts

Company number: 4749158

Charity Number: 1109711

QUAGGY DEVELOPMENT TRUST
(A Charitable Company Limited by Guarantee)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2025

QUAGGY DEVELOPMENT TRUST
Improving the lives of
local children and families

QUAGGY DEVELOPMENT TRUST

CONTENTS

	Page
Legal & administrative information	1
Report of the Trustees	2 – 7
Independent Auditor's report	8 – 10
Accounts comprising:	
Consolidated Statement of financial activities	11
Consolidated Balance sheet	12
Consolidated Statement of cashflows	13
Notes to the accounts	14 – 26

Trustees	Natalie Meguerditchian (Chair) Naomi Delap Simon Riley (Treasurer and Vice-Chair) Beatrice Panduru Jonathan Qureshi
Key Management	Joanna Lawrence (Director) Dawn Brown (Director) Timothy Rogerson (Finance Director)
Registered office	Quaggy Childrens Centre Orchard Hill London SE13 7QZ
Company Secretary	Timothy Rogerson FCA
Bankers	National Westminster Bank Plc 143 High Street Bromley BR1 1JH
Auditor	Simpson Wreford LLP Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS
Company number	04749158
Charity number	1109711

The trustees (who are also the directors of the charitable company for the purposes of company law) are pleased to present their report together with the consolidated financial statements of the Charity for the year ended 31 March 2025 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The information shown on page 1 forms part of this report.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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)".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Quaggy Development Trust (QDT) is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 30 April 2003 (company number 4749158). Revised Articles of Association were adopted on 1 December 2021. The Charity was registered as a charity with the Charity Commission on 26 May 2005. Since 1 December 2021 the only members of the company have been its Trustees. Members have agreed to contribute £1 in the event of the charity being wound up.

The principal operating address is Quaggy Childrens Centre, Orchard Hill, London SE13 7QZ.

Charity governance

The Charity is governed by its board comprising Trustees and Key Management. This group is responsible for the Charity's operations. If a vote is required, only those who are Trustees have the power to register a vote.

The Board Members of the charitable company throughout the year and to the date of signing of this report, except where indicated, are as follows:

Trustees
Natalie Meguerditchian (Chair)
Naomi Delap
Simon Riley (Treasurer and Vice-Chair)
Beatrice Panduru
Jonathan Qureshi (appointed 18 March 2025)

Key management
Dawn Jacovou (Chief Executive until 25 January 2025)
Joanna Lawrence (Director)
Dawn Brown (Director)
Timothy Rogerson (Finance Director)

Appointment of Trustees

As set out in the Articles of Association, new Trustees are appointed by a decision of the existing Trustees. The minimum number of Trustees is three and the maximum is twelve. Trustees serve for a term of three years and may serve a maximum of three consecutive terms before taking a break of at least one year unless the Trustees decide that there are exceptional circumstances which mean that it would not be in the best interest of the Charity for the Trustee to take a break from office. The Trustees may appoint a Chair, Vice-Chair and Treasurer from among their number.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees' Induction and Training

New Trustees and Key Management undergo an orientation meeting to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Committee and decision-making processes, business plans and recent financial performance of the Charity. During the induction process, they meet key employees and other Trustees and are given a Trustees' information pack containing comprehensive guidance notes relating to their role. Internal training sessions are held for Trustees on an annual basis after their initial induction and Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees delegates day to day management of the charity to the management team. The Board's regular meetings are quarterly following meetings of the Human Resources and Finance sub-committees. The responsibilities of these sub-committees are set out in their terms of reference. It meets at other times to transact specific business as required.

Related Parties

The charity owns 100% of the share capital in Quaggy Café at Parkside Limited, which ceased trading at 31 March 2023. The trading company's accounts have been consolidated into these accounts.

Apart from the subsidiary the only other related parties are the Trustees and Key Management.

The charity maintains a close working relationship with the Royal Borough of Greenwich.

Risk Management

A comprehensive risk assessment review, in line with Charity Commission guidance, was undertaken by the senior leadership team and Trustees in the first quarter of 2020. The areas of risk considered were governance, external, regulatory and compliance, financial and operational. The Trustees support the need for risks to be kept under regular review. The Risk Register is reviewed at least every six months and more regularly if appropriate.

The following general principles underpin the risk management processes:

- Evaluation of risk forms part of strategic and business planning, and investment and project appraisal;
- Risk management ensures that the application of internal controls is proportionate to the risk the controls are designed to manage;
- Managers and staff at all levels have a responsibility to identify, evaluate and manage or report risks;
- Ownership of risk is allocated to individuals best placed to manage the risk – i.e. they have the authority and necessary resources to manage the risk;
- QDT fosters a culture which spreads best practice, lessons learned and expertise acquired from risk management activities across the Trust.

OBJECTIVES AND ACTIVITIES

Since 1 December 2021, the objects of the Charity have been the promotion for the public benefit of urban regeneration in areas of social and economic deprivation (and in particular the area of benefit) by all or any of the following means:

- The advancement of education, training and retraining, particularly among unemployed people, and providing employed people with work experience;
- The relief of poverty in such ways as may be thought fit;
- The development of the capacity and skills of members of the area of benefit in such a way that they are better able to identify and help meet their needs, and to participate more fully in society;
- The relief of unemployment in such ways as may be thought fit;
- The provision of public health facilities and childcare;
- The provision of public safety and the prevention of crime;
- The provision of recreational facilities for the public at large and/or those who by reasons of their youth, age, infirmity or disability, poverty or social and economic circumstances have need of such facilities.

The area of benefit is the West Ward of the Royal Borough of Greenwich, and the immediate surrounding area.

The Trustees have considered the Charity Commission's general guidance on public benefit when reviewing the aims and objectives. During the year the Charity's activities were principally focused on:

- Continuing the consolidation of our work providing, supporting and developing community services on the Coldbath and Orchard Estate and surrounding areas;
- Maintaining the development of the long-term strategic plan in order to identify and embrace new and existing ways in which our work will benefit the local area;
- Implementing the proposals made in the successful bid for the Start Well Greenwich contract, which commenced on 1 April 2020 and maintaining our close relationship with the Royal Borough of Greenwich Council.

FINANCIAL REVIEW

The Statement of Financial Activities shows a surplus for the year of £340,874 (2024: £611,112) with the principal funding sources of the Charity being the contract for the provision of Children's Centres, Nursery income, Crèche and Counselling services. During the year, the Charity also received Family Hub funding from the Royal Borough of Greenwich.

The Balance Sheet at the year-end shows total funds of £3,786,628 (2024: £3,445,754) of which £110,498 (2024: £96,912) is restricted and £1,078,877 (2024: £1,747,118) is designated.

The Trustees acknowledge the following funders during the year:

- Royal Borough of Greenwich (Startwell Greenwich West) - £1,328,966;
- Royal Borough of Greenwich (Perinatal – two awards) - £76,461
- Royal Borough of Greenwich (Family Hub) - £52,782

In November 2019 the Royal Borough of Greenwich awarded Quaggy Development Trust a Contract to manage Greenwich West Childrens Centres ("Startwell Greenwich West"). This is a 5-year contract which commenced in April 2020, with the possibility of up to four further years running to March 2029. The Trust has already been advised that the contract will continue for the years to 31 March 2027, although at a reduced level of funding.

ACHIEVEMENTS AND PERFORMANCE 2024-2025

Early Years and Nurseries

The Trust's two nurseries (Quaggy Nursery and Margaret Bondfield Nursery) continued to operate successfully with both recording increased numbers of children on roll. At Margaret Bondfield the Under 2s room was re-opened, after some years, and the nursery also reverted to being open all year round, rather than term-time only. The Trust was again awarded an Eco-Schools Green Flag with distinction.

Greenwich West Children's Centres & Family Hubs

Greenwich West Children's Centres continued to deliver an outstanding range of activities for families with children under five. All sessions across our six centres were designed to support child development, speech and language, and personal and emotional development. Parents consistently report that attending our Centres helps reduce isolation, build friendships and support with bonding with their child. In addition, we offered a variety of courses for parents. As a designated Family Hub, we also ran groups that strengthen parent-infant relationships and one-to-one infant feeding support sessions.

Volunteers

We thank those of our volunteers who undertook voluntary work with us during the year. This included giving Breastfeeding one to one support, supporting the Older People's Lunch Club and Youth Club and offering counselling services.

Lunch Club and Youth Club

The older persons' lunch club met weekly during the year with occasional outings to other venues. Youth activities, offered with the support of the Wash House Youth Project, continued with Football sessions being offered in conjunction with Charlton Athletic Football Club. The Youth Club was disbanded during the year with a view to offering alternative activities.

Counselling Service

Demand for the Counselling service remained high with referrals being received regularly from Greenwich and Lewisham NHS counselling services as well as self-referrals from the Trust's website. The Trust continued to operate two Perinatal Counselling services, funded by the Royal Borough of Greenwich. The first was a traditional specialist counselling service, whilst the second takes the form of a course, focussing on Parent Infant Relationships. Both activities started in the final quarter of the previous financial year and continue into the current year.

Staff

The Trustees are pleased to note that the level of staff turnover again decreased by around one third compared with the previous two years. The Trust continues to be registered with the Living Wage Foundation as an accredited Living Wage Employer.

Other activities

The Quaggy Carnival took place at the start of July 2024, attracting many local residents and families, who enjoyed a programme of entertainment as well as bungee jumping, a bouncy castle, tombolas and other stalls. During the year the Trust continued to operate a food pantry scheme to help residents on the Orchard and Coldbath Estates suffering from food poverty.

FUTURE PLANS

The Trust was notified in January 2024 that the funding for the Greenwich West Childrens Centre contract would be at a lower level than previously advised meaning that four of the five existing Childrens Centres would close. Although this reduction in funding did not take place until April 2025, the Trust had already made arrangements to base some of its activities in Charlton Family Centre on the Cherry Orchard Estate, which opened in the first quarter of 2025 in time for the closure of the centres in March 2025.

The Quaggy Carnival did not take place in 2025 as development of the green area outside Quaggy Childrens Centre, which provided a significant amount of the space for the event, started early in 2025. Plans are being made for an event in a new format in 2026.

The Trustees have continued the strategic review that started in 2024 with an initial focus on forming a set of organisational values, defining a vision for the organisation and then building a strategy around these.

INVESTMENT POLICY

The Charity owns two residential investment properties close to its main offices, which are held to provide regular income and capital appreciation. It also holds two further investments, in Charity Investment Funds, again with the purpose of providing regular income and modest capital appreciation. The Trustees use the income generated by these investments to support its community activities which are not publicly funded, including the Lunch Club and Counselling Services. The Trustees are satisfied with the performance of all investments during the year despite the fall in value before March 2025.

RESERVES POLICY

After consideration of funding and contingency requirements of the Charity, the Trustees believe that free reserves (as defined by the Charity Commission) equivalent to between eight and nine months of expenditure should be maintained, which they estimate as being between £1,600,000 and £1,750,000. At 31 March 2025, free reserves amounted to £1,444,603 and so were slightly below the target. The Trustees have taken steps to ensure that free reserves increase to the target level within the next couple of years.

TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period.

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

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

TRUSTEES' RESPONSIBILITIES (continued)

The trustees are responsible for keeping proper 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 the group 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 to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

AUDITORS

Simpson Wreford LLP have expressed their willingness to continue as auditors and their reappointment will be proposed at the Annual General Meeting.

The above report has been prepared in accordance with the special provisions of Section 419(2) of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 9 December 2025 and signed on its behalf by:

.....

N Meguerditchian (Chair)

Opinion

We have audited the financial statements of Quaggy Development Trust (the 'Charity') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cash Flow Statement and the related 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 Charity'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;
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Charity'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 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and 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 the strategic report and the directors' report) have 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which 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;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the trustees
As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Our 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. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of membership organisations and support services sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, data protection and OFSTED regulations

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Audit response to risks identified
We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with OFSTED.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report
This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's 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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

MB

Michael Broder BSc FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wreford LLP, Statutory Auditor
Wellesley House, Duke of Wellington Avenue, Royal Arsenal, London SE18 6SS

Dated: 12/12/25

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

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2025
(including consolidated income and expenditure account)

	Notes	2025 Unrestricted funds £	2025 Restricted funds £	2025 Total funds £	2024 Total funds £
Income					
Donations and legacies	3	2,229	89,956	92,185	87,672
Charitable activities	4	2,430,606	86,075	2,516,681	2,679,888
Investment income	5	125,601	-	125,601	87,444
Other trading activities	6	-	-	-	1,214
Other income		6,905	-	6,905	7,066
Total income		2,565,341	176,031	2,741,372	2,863,284
Expenditure					
Charitable activities	8	2,205,365	162,445	2,367,810	2,328,721
Total expenditure		2,205,365	162,445	2,367,810	2,328,721
Net income before gains & losses on investments		359,976	13,586	373,562	534,563
Net gains & losses on investments					
(Losses)/gains on investment assets		(32,688)	-	(32,688)	59,985
Net income		327,288	13,586	340,874	594,548
Other recognised gains & losses					
Actuarial gains on defined benefit pension scheme	15	-	-	-	16,564
Net movement in funds		327,288	13,586	340,874	611,112
Reconciliation of funds -					
Total funds brought forward		3,348,842	96,912	3,445,754	2,834,642
Total funds carried forward	14	3,676,130	110,498	3,786,628	3,445,754

The Statement of Financial Activities includes all gains and losses recognised in the year.

All amounts relate to continuing activities except for Income from *Other Trading Activities* (£nil, 2024: £1,214), which relates to an activity which was discontinued on 31 March 2023. The result from this discontinued activity was £nil (2024: a surplus of £1,214). All other amounts relate to continuing activities, being income amounting to £2,741,372 (2024: £2,862,070), expenditure of £2,367,810 (2024: £2,328,721), net income before gains and losses on investments of £359,976 (2024: £533,349) and net movement in funds of £327,288 (2024: £609,898).

The notes on pages 14 to 26 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Fixed assets					
Tangible assets	10	217,083	173,760	217,083	173,760
Investments	11	1,784,431	1,817,119	1,784,432	1,817,120
		2,001,514	1,990,879	2,001,515	1,990,880
Current assets					
Debtors	12	61,690	96,829	65,687	97,242
Cash at bank and in hand		1,959,354	1,645,370	1,955,624	1,644,618
		2,021,044	1,742,199	2,021,311	1,741,860
Creditors: amounts falling due within one year	13	(235,930)	(287,324)	(234,897)	(285,685)
Net current assets		1,785,114	1,454,875	1,786,414	1,456,175
Total assets less current liabilities		3,786,628	3,445,754	3,787,929	3,447,055
Defined benefit pension scheme	15	-	-	-	-
Total assets less liabilities		3,786,628	3,445,754	3,787,929	3,447,055
Funds					
Unrestricted general fund		2,597,253	1,601,724	2,598,554	1,603,025
Unrestricted designated funds		865,999	1,501,552	865,999	1,501,552
Unrestricted revaluation reserve		212,878	245,566	212,878	245,566
Restricted funds		110,498	96,912	110,498	96,912
Total funds	14	3,786,628	3,445,754	3,787,929	3,447,055

The directors have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

The financial statements on pages 11 to 26 were approved by the Trustees on 9th December 2025 and are signed on their behalf by:

.....
S C Riley (Treasurer and Vice-Chair)
Trustee

Company number: 04749158 (England and Wales). Charity number: 1109711.

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2024 £
Cash generated by operating activities	19	270,605	445,098
Cash flows from investing activities			
Dividends, interest and rents from investments		123,116	87,444
Purchase of tangible fixed assets		(79,737)	(20,630)
Cash generated by investing activities		43,379	66,814
Increase/(decrease) in cash and cash equivalents in the year		313,984	511,912
Cash and cash equivalents at the beginning of the year		1,645,370	1,133,458
Total cash and cash equivalents at the end of the year		1,959,354	1,645,370

1. Principal accounting policies

Company information
Quaggy Development Trust is a Charitable Company Limited by Guarantee incorporated in England and Wales, registration number 04749158. The registered office is Quaggy Childrens Centre, Orchard Hill, London, SE13 7QZ.

Basis of accounting
The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)" - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Quaggy Development Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value or amortised cost. The principal accounting policies adopted are set out below.

Group financial statements
The financial statements consolidate the results of the charity and its wholly owned subsidiary, Quaggy Café At Parkside Limited, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income
Income is recognised dependent on the nature of the income receivable:

- Nursery and crèche fees are accounted for on an accrual basis. Any fees received in advance are deferred and included in the Statement of Financial Activities in the year the fees relate to.
- Donations are recognised when the charity is legally entitled to the income.
- Grants, including grants for fixed assets, are recognised within the accounts as they become receivable. Grants received in the accounting period in respect of future accounting periods are deferred until those periods.
- Other trading activities relate to income derived from the subsidiary company and are recognised at fair value upon transfer of goods or at the time of a service being provided.
- Other income, including bank interest, is accounted for on an accrual basis once the income becomes receivable and that amount can be measured reliably by the charity.
- Donated services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1. Principal Accounting Policies (continued)

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading and includes wage costs of employees' time spent and their associated support costs.
- Expenditure on charitable activities includes the costs of running community projects and the children's services, undertaken to further the purposes of the charity and their associated support costs.

Grants payable are accounted for on an accrual basis and are accounted for in charitable activities and recognised in the restricted funds to which they relate if applicable. Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grant.

Allocation of support costs

Support costs which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities. The apportionment is defined as either direct or indirect.

Investments

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Fair value is determined by the Trustees using freely available information from internet sites such as Rightmove and Zoopla. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

Investments in equity instruments are measured initially at fair value, which is usually the transaction price. Subsequent to initial recognition, investments that can be valued reliably are measured at fair value with changes in value recognised in the Statement of Financial Activities. Other investments are measured at cost less any impairment (recognised in the Statement of Financial Activities).

Tangible fixed assets

Individual fixed assets with a cost of more than £1,500 are capitalised at cost and depreciated over their expected useful life, as follows:

Plant and machinery, consisting of:	
• Kitchen equipment	20% straight line
• Toys and play equipment	25% straight line
Office equipment, consisting of:	
• Office equipment	15% straight line
• Computers	25% straight line
Leasehold improvements	over the period of the lease

Stock

Stocks are valued at the lower of cost and net realisable value.

Debtors

Trade and other debtors are recognised at the settlement amount due after trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1. Principal Accounting Policies (continued)

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

Operating lease commitments
Rentals paid under operating leases are charged on a straight-line basis over the lease term.

Going concern
At the time of approving the financial statements, the trustees have a reasonable expectation that the charity 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.

Pensions
Retirement benefits to two of the employees of the charity are provided by the Local Government Pension Scheme ('LGPS'). This is a defined benefit scheme, the assets of which are held separately from those of the charity.

The LGPS is a funded scheme and the assets are held separately from those of the charity in separate trustee administered funds. Pension scheme assets are measured at fair value and the liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance cost or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

The Charity also operates a defined contribution pension scheme. The assets of this scheme are also held separately from those of the Charity in an independently administered fund. Contributions are charged to the Statement of Financial Activities as they become payable. Pension contributions are allocated between restricted and unrestricted funds based on the time spent by staff.

Financial instruments
The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Legal status of the Trust
The Trust 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. Principal Accounting Policies (continued)

Fund accounting

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

Restricted funds are funds made to the charity which are to be used in accordance with specific restrictions imposed by donors. The cost of raising and administering such funds are charged against the specific fund. The aim and use of material restricted funds is set out in note 16 to the financial statements.

Designated funds are unrestricted funds which have been designated by the Trustees for a specific purpose.

2. Financial performance of the Charity

The consolidated statement of financial activity includes the results of the Charity's wholly owned subsidiary, Quaggy Café at Parkside Limited. The summary financial performance of the Charity alone is:

	2025 £	2024 £
Income	2,741,372	2,862,069
Expenditure	(2,367,810)	(2,328,719)
Provision against loan to Quaggy café at Parkside Limited	-	(3,000)
	373,562	530,350
(Losses)/gains on investment assets	(32,688)	59,985
Actuarial gains on defined benefit pension scheme	-	16,564
Net income	340,874	606,899
Funds brought forward	3,447,055	2,840,156
Total funds carried forward	3,787,929	3,447,055
Represented by:		
Restricted funds	110,498	96,912
Unrestricted funds	3,677,431	3,350,143
	3,787,929	3,447,055

3. Donations income

	2025 £	2024 £
Notional rent - restricted	82,000	82,000
Other donations - restricted	7,956	5,130
Total restricted	89,956	87,130
Other donations - unrestricted	2,229	542
Total donations	92,185	87,672

The local council provides the buildings, from which the Quaggy Children's Centre and Nursery and Margaret Bondfield Nursery are run, free of charge. Notional rent is an estimated contribution of the cost to the Charity if the facilities were to be provided by third party.

4. Charitable activities income

	Unrestricted Funds £	Restricted Funds £	Total £
2025			
Nursery and crèche fees	1,016,237	-	1,016,237
Start Well Greenwich West contract (designated)	1,328,966	-	1,328,966
Family Hub income (designated)	52,782	-	52,782
Other grant income	-	81,461	81,461
Catering income	533	-	533
Other community work income	32,088	4,614	36,702
	2,430,606	86,075	2,516,681
2024			
Nursery and crèche fees	810,825	-	810,825
Start Well Greenwich West contract (designated)	1,340,151	-	1,340,151
Family Hub income (designated)	390,000	-	390,000
Other grant income	-	78,257	78,257
Catering income	196	-	196
Other community work income	60,459	-	60,459
	2,601,631	78,257	2,679,888

5. Investment income

	2025 £	2024 £
Rental income	37,969	35,376
Dividends received	87,296	51,560
Bank interest	336	508
	125,601	87,444

All amounts relate to unrestricted funds.

6. Commercial trading operations

The wholly owned subsidiary, Quaggy Café at Parkside Limited, is incorporated in the United Kingdom (company number 10642622). Until 31 March 2023, the subsidiary company operated a community café located near to Quaggy Childrens Centre. All amounts shown relate to discontinued activities. The summary financial performance of the subsidiary alone is:

	2025 £	2024 £
Turnover and other operating income	-	1,214
Cost of sales and administrative expenses	-	-
Net profit retained in subsidiary	-	1,214
The assets and liabilities of the subsidiary were:		
Current assets	3,730	752
Current liabilities	(121,579)	(118,601)
Total net liabilities	(117,849)	(117,849)
Aggregate share capital and reserves	(117,849)	(117,849)

7. Operating profit

	2025 £	2024 £
This is stated after charging:		
Depreciation of owned fixed assets	36,414	25,620
Auditor's remuneration		
- Audit of the financial statements	11,040	10,200
- Other services	252	228

8. Charitable activities expenditure

	Unrestricted funds General £	Unrestricted funds Designated £	Restricted funds £	Total £
2025				
Staff costs (note 10), temporary staff & expenses	901,239	670,652	19,520	1,591,411
Premises, utilities and equipment	62,666	149,801	82,123	294,590
Community activities	5,763	105,283	52,035	163,081
Nursery and crèche	36,781	2,648	7,274	46,703
Office, computers and communications	26,235	54,477	826	81,538
Legal and professional	94,160	25,355	-	119,515
Depreciation	30,363	6,051	-	36,414
Sundry expenses	10,964	3,100	667	14,731
Audit and accountancy fees	11,063	8,764	-	19,827
	1,179,234	1,026,131	162,445	2,367,810

Total unrestricted fund expenditure - £2,205,365

2024				
Staff costs (note 10), temporary staff & expenses	789,638	700,567	6,909	1,497,114
Grant paid to partner organisation	-	178,500	-	178,500
Premises, utilities and equipment	143,800	53,004	83,198	280,002
Community activities	52,572	81,944	9,405	143,921
Nursery and crèche	32,487	10,721	4,617	47,825
Office, computers and communications	21,807	63,164	1,366	86,337
Legal and professional	1,960	19,100	-	21,060
Depreciation	21,431	4,189	-	25,620
Sundry expenses	12,059	12,843	4,891	29,793
Audit and accountancy fees	9,630	8,919	-	18,549
	1,085,384	1,132,951	110,386	2,328,721

Total unrestricted fund expenditure - £2,218,335

Legal and professional fees and Audit and accountancy fees constitute Governance costs and relate wholly to Charitable Activities so have been allocated in their entirety to Expenditure on Charitable Activities.

9. Staff costs and numbers

	2025 £	2024 £
Salaries and wages	1,113,788	1,141,125
Key management remuneration	231,142	154,549
Social security costs	121,144	118,298
Defined contribution pension costs	59,246	24,509
Pension service cost	13,309	13,074
	1,538,629	1,451,555

One employee, who is included above within key management, received emoluments of between £100,001 and £110,000 (2024: one employee received between £90,001 and £100,000). No other employee received emoluments of more than £60,000 in either year.

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

	2025 No.	2024 No.
Nursery, Children Centre, Counselling and Community staff	41	40
Management and administration	10	10
Other support services	1	2
	52	52

No remuneration was paid to any of the Trustees in the year and none of the Trustees were reimbursed any expenses in the year.

10. Tangible fixed assets – *group and charity*

	Leasehold improvements £	Office equipment £	Plant & machinery £	Total £
Cost or valuation				
At 1 April 2024	315,555	164,655	78,381	558,591
Additions	71,117	8,620	-	79,737
Disposals	-	(31,665)	(78,381)	(110,046)
At 31 March 2025	386,672	141,610	-	528,282
Depreciation				
At 1 April 2024	150,738	155,712	78,381	384,831
Charge for the year	31,452	4,962	-	36,414
Eliminated on disposals	-	(31,665)	(78,831)	(110,046)
At 31 March 2025	182,190	129,009	-	311,199
Net book value				
At 31 March 2025	204,482	12,601	-	217,083
At 31 March 2024	164,817	8,943	-	173,760

11. Investments

	Investments	Investment properties	Total
Group	£	£	£
Valuation			
At 1 April 2024	857,119	960,000	1,817,119
Revaluation	(32,688)	-	(32,688)
At 31 March 2025	824,431	960,000	1,784,431
Charity			
Valuation			
At 1 April 2024	857,120	960,000	1,817,120
Revaluation	(32,688)	-	(32,688)
At 31 March 2025	824,432	960,000	1,784,432

The investment in subsidiary relates to the entire ordinary share capital of Quaggy Café at Parkside Limited and the details of this company are provided in note 6 to these financial statements.

Investments comprise:

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
COIF Charities Investment Fund	423,544	444,241	423,544	444,241
Cazenove Charity Responsible Multi-Asset Fund	400,887	412,878	400,887	412,878
Investment in subsidiary	-	-	1	1
Total funds	824,431	857,119	824,432	857,120

12. Debtors

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade debtors	28,301	44,337	28,301	44,337
Other debtors	12,785	12,787	12,785	12,787
Amounts owed by group undertakings	-	-	3,997	413
Prepayments and accrued income	20,604	39,705	20,604	39,705
	61,690	96,829	65,687	97,242

13. Creditors

	Group		Charity	
	2025	2024	2025	2024
	£	£	£	£
Trade creditors	90,677	98,674	90,677	98,433
Accruals and deferred income	59,675	118,543	58,643	117,145
Taxation and social security	30,350	-	30,350	-
Other creditors	55,228	70,107	55,227	70,107
	235,930	287,324	234,897	285,685

14. Reserves

	At 1 April 2024 £	Incoming resources £	Resources expended £	Gains & losses £	Transfers £	At 31 March 2025 £
Unrestricted funds						
General funds (net)	1,601,724	1,183,593	(1,179,234)	-	991,170	2,597,253
Designated funds						
RBG West area SWG	1,332,704	1,328,966	(934,968)	-	(991,170)	735,532
RBG Family Hub	168,848	52,782	(91,163)	-	-	130,467
Revaluation reserve	245,566	-	-	(32,688)	-	212,878
Total designated funds	1,747,118	1,381,748	(1,026,131)	(32,688)	(991,170)	1,078,877
Total unrestricted funds	3,348,842	2,565,341	(2,205,365)	(32,688)	-	3,676,130
Restricted funds						
Children-in-need grant	5,197	-	-	-	-	5,197
RBG Perinatal grant (1)	21,970	-	-	-	-	21,970
RBG Perinatal grant (2)	35,989	36,203	(38,801)	-	-	33,391
RBG Perinatal grant (3)	22,180	40,258	(31,449)	-	-	30,989
Notional rent - QCC	-	39,000	(39,000)	-	-	-
Notional rent - MBN	-	43,000	(43,000)	-	-	-
Food Pantry fund	3,318	10,321	(9,398)	-	-	4,241
Former Parents' Forum fund	-	7,249	-	-	-	7,249
RBG Community fund grant	5,385	-	-	-	-	5,385
Tree Fund	130	-	(130)	-	-	-
Hardship grant	2,743	-	(667)	-	-	2,076
Total restricted funds	96,912	176,031	(162,445)	-	-	110,498
Total funds	3,445,754	2,741,372	(2,367,810)	(32,688)	-	3,786,628

Designated funds - The revaluation reserve relates to investments. RBG West area SWG and RBG Family Hub relate to funds received from the Royal Borough of Greenwich (RBG) to deliver the "Start Well Greenwich" Children's Centre Contract in the Greenwich West area and Family Hub services, respectively.

Restricted funds

Children-in-Need – Funding received from BBC Children-in-need for a project entitled "Think aloud – Document your Pandemic".

RBG Perinatal Grants – Funding received from the Royal Borough of Greenwich for Perinatal Services.

Notional Rent QCC and MBN represents estimates of the rent that would be payable for the premises from which Quaggy Children's Centre and Margaret Bondfield Nurseries operate if they were not provided rent-free by the Royal Borough of Greenwich. The estimates are included as donations in note 3 and expenditure in note 8.

Food Pantry Fund relates to grants received from Royal Borough of Greenwich and others for the Food Pantry Scheme as well as income generated by the scheme.

Former Parents' Forum fund relates to funds received from the former Parents' Forum, which was disbanded some years ago. The funds have been transferred to the Charity on condition that they are used for providing additional activities for children using the Trust's services.

RBG Community Fund Grant relates to a grant received from the Royal Borough of Greenwich's Small Community Fund to help those in need with paying energy bills.

Tree Fund represents funds raised for the purchase of trees, which was actioned during the year.

Hardship Grant relates to funds received to provide financial support to families suffering hardship.

15. Pension commitments – group and charity

During the year, the charity employed two (2024: two) members of staff who belonged to the Royal Borough of Greenwich Pension Fund (LGPS), a defined benefit pension scheme managed by a local authority.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation related to the year ended 31 March 2025. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Local Government Pension Scheme (LGPS)

The charity is one of the several employing bodies included within the Local Government Pension Scheme.

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total employer's contribution for the year ended 31 March 2025 was £13,309 (2024: £13,074) representing a contribution rate of 18.6%.

Principal Activity Assumptions	**2025**	**2024**
	%	**%**
Rate of increase in salaries	3.85	3.90
Rate of increase in pensions	2.85	2.90
Discounted rate for liabilities	5.95	4.95
Inflation rate (RPI)	3.05	3.10

The return on the Fund is estimated to be 4.47%

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2025	**2024**
Retiring today		
Males	19.2	19.3
Females	22.7	22.7
Retiring in 20 years		
Males	20.6	20.6
Females	24.2	24.2

Analysis of amounts recognised in the Statement of Financial Activities

	2025	**2024**
	£	**£**
Current service cost	11,202	11,935
Net interest on defined benefit (asset)/liability	(785)	40
Administration expenses	172	126
Total expenditure to be recognised in the SOFA	10,589	12,101

15. Pension commitments – group and charity (continued)

Value of scheme assets and liabilities

Equities	119,983	101,903
Bonds	67,972	43,473
Property	23,183	18,361
Cash	6,688	3,949
UK & Overseas unit trusts	-	22,396
Market value of assets	217,826	190,082
Present value of scheme liabilities – funded	(150,930)	(180,802)
Net pension asset in scheme	66,896	9,280

In accordance with the requirements of FRS 102, the Pension asset has not been recognised on the Balance Sheet.

The expected return on assets, other than bonds, is calculated using an economic scenario generator that uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variable. Expected returns on bond assets are derived from the yields applicable to the accounting date on suitable bond indices.

Analysis of amount chargeable to the Statement of Financial Activities (SOFA)

	2025 £	2024 £
Return of fund assets in excess of interest	(966)	4,868
Other actuarial gains/(losses) on assets	-	-
Change in financial assumptions	55,482	8,476
Change in demographic assumptions	471	2,344
Experience (loss)/gain on defined benefit obligation	(91)	(97)
Change in effect of asset ceiling	-	-
Remeasurement of the net assets/(defined benefit liability)	54,896	15,591

Movements in present value of defined benefit obligations:

Liabilities at 1 April 2024	180,802	165,896
Current service cost	11,202	11,935
Contributions from scheme members	5,699	5,598
Change in financial assumptions	(55,482)	(8,476)
Change in demographic assumptions	(471)	(2,344)
Liabilities assumed on settlements	-	-
Experience gain on defined benefit obligation	91	97
Past service cost	-	-
Interest cost	9,089	8,096
At 31 March 2025	150,930	180,802

15. Pension commitments – group and charity (continued)

Movements in the fair value of Fund assets

Fair value of assets at 1 April 2024	190,082	158,612
Interest on assets	9,874	8,056
Return on assets less interest	(966)	4,868
Actuarial loss	-	-
Administration expenses	(172)	(126)
Settlement prices received / (paid)	-	-
Contributions by employer	13,309	13,074
Contributions by scheme members	5,699	5,598
Fair value of assets at 31 March 2025	217,826	190,082

16. Other financial commitments

At the year end the Charity had annual commitments under non-cancellable operating lease in relation to the Nursery at Parkside Square, Lewisham, SE10 8FN as set out below:

	2025 £	2024 £
Falling due within one year	28,000	28,000
Falling due between two and five years	112,000	112,000
Falling due in more than five years	14,000	42,000
	154,000	182,000

All operating lease payments are charged to the SOFA as they fall due.

17. Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
2025			
Fixed assets	2,001,514	-	2,001,514
Cash at bank and in hand	1,848,856	110,498	1,959,354
Other net current liabilities	(174,240)	-	(174,240)
Pension scheme provision	-	-	-
	3,676,130	110,498	3,786,628
2024			
Fixed assets	1,990,879	-	1,990,879
Cash at bank and in hand	1,548,458	96,912	1,645,370
Other net current liabilities	(190,495)	-	(190,495)
Pension scheme provision	-	-	-
	3,348,842	96,912	3,445,754

18. Related parties

At 31 March 2025, the charity was owed £120,547 (2024: £116,964) by its subsidiary, Quaggy Café at Parkside Limited. The charity has previously made a provision of £116,550 against this balance leaving a recoverable amount of £3,997 (2024: £414).

During the year, the charity received income amounting to £5,597 (2024: £3,479) from The Wash House Youth Project, a charity of which S C Riley, a Trustee, is also a Trustee.

19. Reconciliation of net movement in funds to net cash flow from operating activities

	2025 £	2024 £
Net movement in funds	340,874	611,112
Depreciation charge	36,414	25,620
Losses/(gains) on investments	32,688	(59,985)
Dividends, interest and rents from investments	(125,601)	(87,444)
Decrease in defined benefit pension liability	-	(16,564)
Decrease/(increase) in debtors	37,624	(50,807)
(Decrease)/increase in creditors	(51,394)	23,166
Net cash provided by operating activities	270,605	445,098

QUAGGY DEVELOPMENT TRUST

England & Wales - Charity number 1109711

Accounts

Company number: 4749158

Charity Number: 1109711

QUAGGY DEVELOPMENT TRUST
(A Charitable Company Limited by Guarantee)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2024

QUAGGY DEVELOPMENT TRUST
Improving the lives of
local children and families

QUAGGY DEVELOPMENT TRUST

CONTENTS

	Page
Legal & administrative information	1
Report of the Trustees	2 – 7
Independent Auditor's report	8 – 10
Accounts comprising:	
Consolidated Statement of financial activities	11
Consolidated Balance sheet	12
Consolidated Statement of cashflows	13
Notes to the accounts	14 – 28

Trustees	Natalie Meguerditchian (Chair) Naomi Delap Simon Riley (Treasurer and Vice-Chair) Beatrice Panduru
Key Management	Dawn Jacovou (Chief Executive) Joanna Lawrence (Deputy Executive)
Registered office	Quaggy Childrens Centre Orchard Hill London SE13 7QZ
Company Secretary	Timothy Rogerson FCA
Bankers	National Westminster Bank Plc 143 High Street Bromley BR1 1JH
Auditor	Simpson Wreford LLP Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS
Company number	04749158
Charity number	1109711

The trustees (who are also the directors of the charitable company for the purposes of company law) are pleased to present their report together with the consolidated financial statements of the Charity for the year ended 31 March 2024 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The information shown on page 1 forms part of this report.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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)".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Quaggy Development Trust (QDT) is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 30 April 2003 (company number 4749158). Revised Articles of Association were adopted on 1 December 2021. The Charity was registered as a charity with the Charity Commission on 26 May 2005. Since 1 December 2021 the only members of the company have been its Trustees. Members have agreed to contribute £1 in the event of the charity being wound up.

The principal operating address is Quaggy Childrens Centre, Orchard Hill, London SE13 7QZ.

Charity governance

The Charity is governed by its board comprising Trustees and Key Management. This combined board is responsible for the Charity's operations. Where a vote is required, only those on the Board who are Trustees have the power to register a vote.

The Board Members of the charitable company throughout the year and to the date of signing of this report, except where indicated, are as follows:

Trustees
Natalie Meguerditchian (Chair)
Naomi Delap
Simon Riley (Treasurer and Vice-Chair)
Beatrice Panduru
Celestine Anderson (appointed 9 January 2024, resigned 22 April 2024)

Key management
Dawn Jacovou (Chief Executive)
Joanna Lawrence (Deputy Chief Executive)

Appointment of Trustees

As set out in the Articles of Association, new Trustees are appointed by a decision of the existing Trustees. The minimum number of Trustees is three and the maximum is twelve. Trustees serve for a term of three years and may serve a maximum of three consecutive terms before taking a break of at least one year unless the Trustees decide that there are exceptional circumstances which mean that it would not be in the best interest of the Charity for the Trustee to take a break from office. The Trustees may appoint a Chair, Vice-Chair and Treasurer from among their number.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees' Induction and Training

New Trustees and Key Management undergo an orientation meeting to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Committee and decision-making processes, business plans and recent financial performance of the Charity. During the induction process, they meet key employees and other Trustees and are given a Trustees' information pack containing comprehensive guidance notes relating to their role. Internal training sessions are held for Trustees on an annual basis after their initial induction and Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees delegates day to day management of the charity to the Chief Executive, Dawn Jacovou, and her team. Since April 2023 the Board has met quarterly preceded by meetings of the Human Resources and Finance sub-committees. The responsibilities of these sub-committees are set out in their terms of reference.

Related Parties

The charity owns 100% of the share capital in Quaggy Café at Parkside Limited, which ceased trading at 31 March 2023. The trading company's accounts have been consolidated into these accounts.

Apart from the subsidiary the only other related parties are the Trustees and Key Management.

The charity maintains a close working relationship with the Royal Borough of Greenwich and, to a lesser extent, the London Borough of Lewisham.

Risk Management

A comprehensive risk assessment review, in line with Charity Commission guidance, was undertaken by the senior leadership team and Trustees in the first quarter of 2020. The areas of risk considered were governance, external, regulatory and compliance, financial and operational. The Trustees support the need for risks to be kept under regular review. The Risk Register is reviewed at least annually and more regularly if appropriate.

The following general principles underpin the risk management processes:

- Evaluation of risk forms part of strategic and business planning, and investment and project appraisal;
- Risk management ensures that the application of internal controls is proportionate to the risk the controls are designed to manage;
- Managers and staff at all levels have a responsibility to identify, evaluate and manage or report risks;
- Ownership of risk is allocated to individuals best placed to manage the risk – i.e. they have the authority and necessary resources to manage the risk;
- QDT fosters a culture which spreads best practice, lessons learned and expertise acquired from risk management activities across the Trust.

OBJECTIVES AND ACTIVITIES

Since 1 December 2021, the objects of the Charity have been the promotion for the public benefit of urban regeneration in areas of social and economic deprivation (and in particular the area of benefit) by all or any of the following means:

- The advancement of education, training and retraining, particularly among unemployed people, and providing employed people with work experience;
- The relief of poverty in such ways as may be thought fit;
- The development of the capacity and skills of members of the area of benefit in such a way that they are better able to identify and help meet their needs, and to participate more fully in society;
- The relief of unemployment in such ways as may be thought fit;
- The provision of public health facilities and childcare;
- The provision of public safety and the prevention of crime;
- The provision of recreational facilities for the public at large and/or those who by reasons of their youth, age, infirmity or disability, poverty or social and economic circumstances have need of such facilities.

The area of benefit is the West Ward of the Royal Borough of Greenwich, and the immediate surrounding area.

The Trustees have considered the Charity Commission's general guidance on public benefit when reviewing the aims and objectives. During the year the Charity's activities were principally focused on:

- Continuing the consolidation of our work providing, supporting and developing community services on the Coldbath and Orchard Estate and surrounding areas;
- Maintaining the development of the long-term strategic plan in order to identify and embrace new and existing ways in which our work will benefit the local area;
- Implementing the proposals made in the successful bid for the Start Well Greenwich contract, which commenced on 1 April 2020 and maintaining our close relationship with the Royal Borough of Greenwich Council.

FINANCIAL REVIEW

The Statement of Financial Activities shows a surplus for the year of £611,112 (2023: £400,785) with the principal funding sources of the Charity being the contract for the provision of Children's Centres, Nursery income, Crèche and Counselling services. During the year, the Charity also received Family Hub funding from the Royal Borough of Greenwich.

The Balance Sheet at the year-end shows total funds of £3,445,754 (2023: £2,834,642) of which £96,912 (2023: £45,834) is restricted and £1,747,118 (2023: £1,176,751) is designated.

The Trustees acknowledge the following funders during the year:

- Royal Borough of Greenwich (Greenwich West Childrens Centres) - £1,340,151;
- Royal Borough of Greenwich (Perinatal – two awards) - £76,461
- Royal Borough of Greenwich (Family Hub) - £390,000

In November 2019 the Royal Borough of Greenwich awarded Quaggy Development Trust a Contract to manage Greenwich West Childrens Centres. This is a 5-year contract which commenced in April 2020, with the possibility of up to four further years running to March 2029.

ACHIEVEMENTS AND PERFORMANCE 2023-2024

Early Years and Nurseries

As decided during the previous year, Quaggy Nursery @ Parkside was closed at the end of the Summer Term 2023. Any children not moving on to school were welcomed to Quaggy Nursery, whilst the staff moved to work at either Quaggy Nursery or Margaret Bondfield Nursery. The number of children attending Margaret Bondfield and Quaggy Nurseries increased during the year. The Trust was again awarded an Eco-Schools Green Flag with distinction.

Greenwich West Children's Centres & Family Hubs

The Children's Centres Team continued to offer a wide range of activities for families which support child development, parenting, and speech and language skills from six centres across the West Greenwich area. The Trust also became one of four Family Hubs in the Royal Borough of Greenwich and now offers weekly storytelling activities, a cookery club, an art club and monthly weekend stay and play activities. The team has also been able to provide a variety of donated items including toys, bicycles, scooters and clothing to families in need.

Volunteers

We thank those of our volunteers who undertook voluntary work with us during the year. This included giving Breastfeeding one to one support, supporting the Older People's Lunch Club and Youth Club and offering counselling services.

Lunch Club and Youth Club

The older persons' lunch club met weekly during the year and enjoyed a pre-Christmas outing to Ruxley Garden Centre with a Christmas dinner being offered a week later. There was also a summer outing to Hastings. Youth activities, offered with the support of the Wash House Youth Project, continued with Football sessions being offered in conjunction with Charlton Athletic Football Club and Youth Club activities running for much of the year.

Counselling Service

Demand for the Counselling service remained high with referrals being received regularly from Greenwich and Lewisham NHS counselling services as well as self-referrals from the Trust's website. The Trust continued to provide art therapists to the two Invicta Primary School sites until March 2024. The Trust was successful in two applications to the Royal Borough of Greenwich for funding to operate two Perinatal Counselling services. The first was a traditional specialist counselling service, whilst the second takes the form of a course, focussing on Parent Infant Relationships. Both activities started in the final quarter of the financial year and continue into the current year.

Staff

As in the previous year, the Trustees again commissioned a staff survey during the year, the results of which indicated an overall improvement in the level of satisfaction among staff with the employment proposition offered by the Trust. The Trustees are pleased to note that the level of staff turnover decreased by around one third compared with the previous two years. The Trust is now registered with the Living Wage Foundation as an accredited Living Wage Employer.

ACHIEVEMENTS AND PERFORMANCE 2023-2024 (continued)

Other activities

The Quaggy Carnival took place at the start of July 2023, attracting many local residents and families, who enjoyed a programme of entertainment as well as bungee jumping, bouncy castle, tombolas and other stalls.

During the year the Trust started operating a food pantry scheme to help residents on the Orchard and Coldbath Estates suffering from food poverty.

FUTURE PLANS AND OBJECTIVES FOR 2024-2025

The Trustees commissioned an external consultant to undertake an organisational and structural review of the Charity including Staff Culture and Job Satisfaction, Financial Sustainability, Governance, Risk Management and Monitoring Evaluation and Learning. Following receipt of the report on the review, they will be developing a future strategy for the Charity.

The decision was taken with effect from September 2024 to offer a provision for children aged under two at Margaret Bondfield Nursery and to open the nursery all year round rather than in term-time only.

The Trust has planned a reconfiguration and refurbishment of the former Quaggy Nursery at Parkside space to enable the delivery of various services to be consolidated from that building rather than from a variety of different locations and to relieve pressure on the Quaggy Childrens Centre building.

INVESTMENT POLICY

The Charity owns two residential investment properties close to its main offices, which are held to provide regular income and capital appreciation. It also holds two further investments, in Charity Investment Funds, again with the purpose of providing regular income and modest capital appreciation. The Trustees use the income generated by these investments to support some of its community activities which are not publicly funded, including the Quaggy Carnival, Lunch Club and Counselling Services. The Trustees are satisfied with the performance of all investments during the year.

RESERVES POLICY

After consideration of funding and contingency requirements of the Charity, the Trustees believe that free reserves (as defined by the Charity Commission) equivalent to between eight and nine months of expenditure should be maintained, which they estimate as being approximately £1,600,000. At 31 March 2024, free reserves amounted to £724,057 and so were some way below the target. It is the intention of the Trustees to increase free reserves to the target level in the medium term.

TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

TRUSTEES' RESPONSIBILITIES (continued)

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period.

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

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

The trustees are responsible for keeping proper 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 the group 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 to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

AUDITORS

Simpson Wreford LLP have expressed their willingness to continue as auditors and their reappointment will be proposed at the Annual General Meeting.

The above report has been prepared in accordance with the special provisions of Section 419(2) of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 5 December 2024 and signed on its behalf by:

N Meguerditchian (Chair)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF QUAGGY DEVELOPMENT TRUST FOR THE YEAR ENDED 31 MARCH 2024

Opinion

We have audited the financial statements of Quaggy Development Trust (the 'Charity') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cash Flow Statement and the related 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 Charity'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;
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Charity'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 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and 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 the strategic report and the directors' report) have 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which 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;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the trustees
As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Our 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. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of membership organisations and support services sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, data protection and OFSTED regulations

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Audit response to risks identified
We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with OFSTED.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report
This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's 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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Michael Broder BSc FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wreford LLP, Statutory Auditor
Wellesley House, Duke of Wellington Avenue, Royal Arsenal, London SE18 6SS

Dated: 13/12/2024

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

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2024
(including consolidated income and expenditure account)

	Notes	2024 Unrestricted funds £	2024 Restricted funds £	2024 Total funds £	2023 Total funds £
Income					
Donations and legacies	3	542	87,130	87,672	83,287
Charitable activities	4	2,601,631	78,257	2,679,888	2,048,297
Investment income	5	87,444	-	87,444	54,546
Other trading activities	6	1,214	-	1,214	57,339
Other income		7,066	-	7,066	5,111
Total income		2,697,897	165,387	2,863,284	2,248,580
Expenditure					
Raising funds	8	-	-	-	88,411
Charitable activities	9	2,218,335	110,386	2,328,721	1,913,165
Total expenditure		2,218,335	110,386	2,328,721	2,001,576
Net income before gains & losses on investments		479,562	55,001	534,563	247,004
Net gains & losses on investments					
Gains/(losses) on investment assets		59,985	-	59,985	(16,004)
Net income		539,547	55,001	594,548	231,000
Transfers between funds		3,923	(3,923)	-	-
Other recognised gains & losses					
Actuarial gains on defined benefit pension scheme	16	16,564	-	16,564	169,785
Net movement in funds		560,034	51,078	611,112	400,785
Reconciliation of funds -					
Total funds brought forward					
- as previously stated		1,797,638	1,037,004	2,834,642	2,433,857
- Prior Year Adjustment	21	991,170	(991,170)	-	-
- as restated		2,788,808	45,834	2,834,642	2,433,857
Total funds carried forward	15	3,348,842	96,912	3,445,754	2,834,642

The Statement of Financial Activities includes all gains and losses recognised in the year.

All amounts relate to continuing activities except for Income from *Other Trading Activities* (£1,214, 2023: £57,339) and Expenditure on *Raising Funds* (£nil, 2023: £88,411), which relate to an activity which was discontinued on 31 March 2023. The result from this discontinued activity was a surplus of £1,214 (2023: a deficit of £31,072). All other amounts relate to continuing activities, being income amounting to £2,862,070 (2023: £2,191,241), expenditure of £2,328,721 (2023: £1,913,165), net income before gains and losses on investments of £533,349 (2023: £278,076) and net movement in funds of £609,898 (2023: £431,857).

The notes on pages 14 to 28 form part of these financial statements.

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2024

	Notes	Group 2024 £	Group 2023 (as restated) £	Charity 2024 £	Charity 2023 (as restated) £
Fixed assets					
Tangible assets	11	173,760	178,750	173,760	178,750
Investments	12	1,817,119	1,757,134	1,817,120	1,757,135
		1,990,879	1,935,884	1,990,880	1,935,885
Current assets					
Debtors	13	96,829	36,742	97,242	65,652
Cash at bank and in hand		1,645,370	1,133,458	1,644,618	1,104,387
		1,742,199	1,170,200	1,741,860	1,170,039
Creditors: amounts falling due within one year	14	(287,324)	(264,158)	(285,685)	(258,484)
Net current assets		1,454,875	906,042	1,456,175	911,555
Total assets less current liabilities		3,445,754	2,841,926	3,447,055	2,847,440
Defined benefit pension scheme	16	-	(7,284)	-	(7,284)
Total assets less liabilities		3,445,754	2,834,642	3,447,055	2,840,156
Funds (as restated – note 21)					
Unrestricted general fund		1,601,724	1,612,057	1,603,025	1,617,571
Unrestricted designated funds		1,501,552	991,170	1,501,552	991,170
Unrestricted revaluation reserve		245,566	185,581	245,566	185,581
Restricted funds		96,912	45,834	96,912	45,834
Total funds	15	3,445,754	2,834,642	3,447,055	2,840,156

The directors have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

The financial statements on pages 11 to 28 were approved by the Trustees on 26th November 2024 and are signed on their behalf by:

.....

S C Riley (Treasurer and Vice-Chair)
Trustee

Company number: 04749158 (England and Wales). Charity number: 1109711.

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2023 £
Cash generated by operating activities	**20**	445,098	174,750
Cash flows from investing activities			
Dividends, interest and rents from investments		87,444	51,607
Purchase of investments		-	(800,000)
Purchase of tangible fixed assets		(20,630)	-
Cash generated by /(used in) investing activities		66,814	(748,393)
Increase/(decrease) in cash and cash equivalents in the year		511,912	(573,643)
Cash and cash equivalents at the beginning of the year		1,133,458	1,707,101
Total cash and cash equivalents at the end of the year		1,645,370	1,133,458

1. Principal accounting policies

Company information
Quaggy Development Trust is a Charitable Company Limited by Guarantee incorporated in England and Wales, registration number 04749158. The registered office is Quaggy Childrens Centre, Orchard Hill, London, SE13 7QZ.

Basis of accounting
The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)" - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Quaggy Development Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value or amortised cost. The principal accounting policies adopted are set out below.

Group financial statements
The financial statements consolidate the results of the charity and its wholly owned subsidiary, Quaggy Café At Parkside Limited, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income
Income is recognised dependent on the nature of the income receivable:

- Nursery and crèche fees are accounted for on an accrual basis. Any fees received in advance are deferred and included in the Statement of Financial Activities in the year the fees relate to.
- Donations are recognised when the charity is legally entitled to the income.
- Grants, including grants for fixed assets, are recognised within the accounts as they become receivable. Grants received in the accounting period in respect of future accounting periods are deferred until those periods.
- Other trading activities relate to income derived from the subsidiary company and are recognised at fair value upon transfer of goods or at the time of a service being provided.
- Other income, including bank interest, is accounted for on an accrual basis once the income becomes receivable and that amount can be measured reliably by the charity.
- Donated services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1. Principal Accounting Policies (continued)

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading and includes wage costs of employees' time spent and their associated support costs.
- Expenditure on charitable activities includes the costs of running community projects and the children's services, undertaken to further the purposes of the charity and their associated support costs.

Grants payable are accounted for on an accrual basis and are accounted for in charitable activities and recognised in the restricted funds to which they relate if applicable. Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grant.

Allocation of support costs
Support costs which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities. The apportionment is defined as either direct or indirect.

Investments
Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Fair value is determined by the Trustees using freely available information from internet sites such as Rightmove and Zoopla. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

Investments in equity instruments are measured initially at fair value, which is usually the transaction price. Subsequent to initial recognition, investments that can be valued reliably are measured at fair value with changes in value recognised in the Statement of Financial Activities. Other investments are measured at cost less any impairment (recognised in the Statement of Financial Activities).

Tangible fixed assets
Individual fixed assets with a cost of more than £800 are capitalised at cost and depreciated over their expected useful life, as follows:

Plant and machinery, consisting of:	
• Kitchen equipment	20% straight line
• Toys and play equipment	25% straight line
Office equipment, consisting of:	
• Office equipment	15% straight line
• Computers	25% straight line
Leasehold improvements	over the period of the lease

Stock
Stocks are valued at the lower of cost and net realisable value.

Debtors
Trade and other debtors are recognised at the settlement amount due after trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1. Principal Accounting Policies (continued)

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

Operating lease commitments
Rentals paid under operating leases are charged on a straight-line basis over the lease term.

Going concern
At the time of approving the financial statements, the trustees have a reasonable expectation that the charity 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.

Pensions
Retirement benefits to two of the employees of the charity are provided by the Local Government Pension Scheme ('LGPS'). This is a defined benefit scheme, the assets of which are held separately from those of the charity.

The LGPS is a funded scheme and the assets are held separately from those of the charity in separate trustee administered funds. Pension scheme assets are measured at fair value and the liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance cost or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

The Charity also operates a defined contribution pension scheme. The assets of this scheme are also held separately from those of the Charity in an independently administered fund. Contributions are charged to the Statement of Financial Activities as they become payable. Pension contributions are allocated between restricted and unrestricted funds based on the time spent by staff.

Financial instruments
The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Legal status of the Trust
The Trust 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. Principal Accounting Policies (continued)

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

Restricted funds are funds made to the charity which are to be used in accordance with specific restrictions imposed by donors. The cost of raising and administering such funds are charged against the specific fund. The aim and use of material restricted funds is set out in note 16 to the financial statements.

Designated funds are unrestricted funds which have been designated by the Trustees for a specific purpose.

2. Financial performance of the Charity

The consolidated statement of financial activity includes the results of the Charity's wholly owned subsidiary, Quaggy Café at Parkside Limited. The summary financial performance of the Charity alone is:

	2024 £	2023 £
Income	2,862,069	2,191,241
Expenditure	(2,328,719)	(1,913,166)
Provision against loan to Quaggy café at Parkside Limited	(3,000)	(113,550)
	530,350	164,525
Losses on investment assets	59,985	(16,004)
Actuarial gains on defined benefit pension scheme	16,564	169,785
Net income	606,899	318,306
Funds brought forward	2,840,156	2,521,850
Total funds carried forward	3,447,055	2,840,156
Represented by:		(as restated)
Restricted funds	96,912	45,834
Unrestricted funds	3,350,143	2,794,322
	3,447,055	2,840,156

3. Donations income

	2024 £	2023 £
Notional rent - restricted	82,000	82,000
Other donations - restricted	5,130	200
Total restricted	87,130	82,200
Other donations - unrestricted	542	1,087
Total donations	87,672	83,287

The local council provides the buildings, from which the Quaggy Children's Centre and Nursery and Margaret Bondfield Nursery are run, free of charge. Notional rent is an estimated contribution of the cost to the Charity if the facilities were to be provided by third party.

4. Charitable activities income

	Unrestricted Funds £	Restricted Funds £	Total £
2024			
Nursery and crèche fees	810,825	-	810,825
Start Well Greenwich West contract (designated)	1,340,151	-	1,340,151
Family Hub income (designated)	390,000	-	390,000
Other grant income	-	78,257	78,257
Catering income	196	-	196
Other community work income	60,459	-	60,459
	2,601,631	78,257	2,679,888
2023 (as restated – see note 21)			
Nursery and crèche fees	670,940	-	670,940
Start Well Greenwich West contract (designated)	1,311,817	-	1,311,817
Other grant income	-	19,277	19,277
Catering income	83	-	83
Other community work income	46,180	-	46,180
	2,029,020	19,277	2,048,297

5. Investment income

	2024 £	2023 £
Rental income	35,376	33,491
Dividends received	51,560	20,943
Bank interest	508	112
	87,444	54,546

All amounts relate to unrestricted funds.

6. Commercial trading operations

The wholly owned subsidiary, Quaggy Café at Parkside Limited, is incorporated in the United Kingdom (company number 10642622). Until 31 March 2023, the subsidiary company operated a community café located near to Quaggy Childrens Centre. All amounts shown relate to discontinued activities. The summary financial performance of the subsidiary alone is:

	2024 £	2023 £
Turnover and other operating income	1,214	57,339
Cost of sales and administrative expenses	-	(88,411)
Net profit/(loss) retained in subsidiary	1,214	(31,072)
The assets and liabilities of the subsidiary were:		
Current assets	752	30,161
Current liabilities	(118,601)	(149,224)
Total net liabilities	(117,849)	(119,063)
Aggregate share capital and reserves	(117,849)	(119,063)

7. Operating profit

	2024 £	2023 £
This is stated after charging:		
Depreciation of owned fixed assets	25,620	34,860
Auditor's remuneration		
- Audit of the financial statements	10,200	8,700
- Other services	228	807

8. Raising funds expenditure

	2024 £	2023 £
Commercial trading operations – note 6	-	88,411
Fundraising expenditure	-	-
	-	88,411

9. Charitable activities expenditure

	Unrestricted funds General £	Unrestricted funds Designated £	Restricted funds £	Total £
2024				
Staff costs including expenses (note 10)	789,638	700,567	6,909	1,497,114
Grant paid to partner organisation	-	178,500	-	178,500
Premises, utilities and equipment	143,800	53,004	83,198	280,002
Community activities	52,572	81,944	9,405	143,921
Nursery and crèche	32,487	10,721	4,617	47,825
Office, computers and communications	21,807	63,164	1,366	86,337
Legal and professional	1,960	19,100	-	21,060
Depreciation	21,431	4,189	-	25,620
Sundry expenses	12,059	12,843	4,891	29,792
Audit and accountancy fees	9,630	8,919	-	18,549
	1,085,384	1,132,951	110,386	2,328,721
2023 (as restated – note 21)				
Staff costs including expenses (note 10)	715,503	657,226	-	1,372,729
Grant paid to partner organisation	-	-	-	-
Premises, utilities and equipment	99,786	54,765	82,590	237,141
Community activities	41,789	81,437	-	123,226
Nursery and crèche	27,446	13,376	-	40,822
Office, computers and communications	16,001	27,870	-	43,871
Legal and professional	5,324	22,697	-	28,021
Depreciation	22,292	12,568	-	34,860
Sundry expenses	12,071	3,745	3,162	18,978
Audit and accountancy fees	7,693	5,824	-	13,517
	947,905	879,508	85,752	1,913,165

Legal and professional fees and Audit and accountancy fees constitute Governance costs and relate wholly to Charitable Activities so have been allocated in their entirety to Expenditure on Charitable Activities.

10. Staff costs and numbers

	2024 £	2023 £
Salaries and wages	1,141,125	1,080,545
Key management remuneration	154,549	151,227
Social security costs	118,298	109,749
Defined contribution pension costs	24,509	21,341
Pension service cost	13,074	13,122
	1,451,555	1,375,984

One employee, who is included above within key management, received emoluments of between £90,001 and £100,000 both in the current year and the comparative year. Another employee, also included within key management, received emoluments of between £60,001 and £70,000 in the comparative year only. No other employee received emoluments of more than £60,000 in either year.

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

	2024 No.	2023 No.
Nursery, Children Centre, Counselling and Community staff	40	38
Management and administration	10	10
Other support services	2	2
Quaggy Café at Parkside	-	2
	52	52

No remuneration was paid to any of the Trustees in the year and none of the Trustees were reimbursed any expenses in the year.

11. Tangible fixed assets - *Group*

	Leasehold improvements £	Office equipment £	Plant & machinery £	Kitchen equipment £	Total £
Cost or valuation					
At 1 April 2023	302,355	157,225	78,381	1,728	539,689
Additions	13,200	7,430	-	-	20,630
Disposals	-	-	-	(1,728)	(1,728)
At 31 March 2024	315,555	164,655	78,381	-	558,591
Depreciation					
At 1 April 2023	130,518	150,312	78,381	1,728	360,939
Charge for the year	20,220	5,400	-	-	25,620
Eliminated on disposals	-	-	-	(1,728)	(1,728)
At 31 March 2024	150,738	155,712	78,381	-	384,831
Net book value					
At 31 March 2024	164,817	8,943	-	-	173,760
At 31 March 2023	171,837	6,913	-	-	178,750

11. Tangible fixed assets - *Charity*

	Leasehold improvements £	Office equipment £	Plant & machinery £	Total £
Cost or valuation				
At 1 April 2023	302,355	157,225	78,381	537,961
Additions	13,200	7,430	-	20,630
Disposals	-	-	-	-
At 31 March 2024	315,555	164,655	78,381	558,591
Depreciation				
At 1 April 2023	130,518	150,312	78,381	359,211
Charge for the year	20,220	5,400	-	25,620
At 31 March 2024	150,738	155,712	78,381	384,831
Net book value				
At 31 March 2024	164,817	8,943	-	173,760
At 31 March 2023	171,837	6,913	-	178,750

12. Investments

Group	Investments £	Investment properties £	Total £
Valuation			
At 1 April 2023	797,134	960,000	1,757,134
Additions	-	-	-
Revaluation	59,985	-	59,985
At 31 March 2024	857,119	960,000	1,817,119
Charity			
Valuation			
At 1 April 2023	797,135	960,000	1,757,135
Additions	-	-	-
Revaluation	59,985	-	59,985
At 31 March 2024	857,120	960,000	1,817,120

The investment in subsidiary relates to the entire ordinary share capital of Quaggy Café at Parkside Limited and the details of this company are provided in note 6 to these financial statements.

Investments comprise:

	Group		Charity	
	2024 £	2023 £	2024 £	2023 £
COIF Charities Investment Fund	444,241	406,870	444,241	406,870
Cazenove Charity Responsible Multi-Asset Fund	412,878	390,264	412,878	390,264
Investment in subsidiary	-	-	1	1
Total funds	857,119	797,134	857,120	797,135

13. Debtors

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	44,337	3,485	44,337	3,485
Other debtors	12,787	13,936	12,787	12,846
Amounts owed by group undertakings	-	-	413	30,000
Prepayments and accrued income	39,705	19,321	39,705	19,321
	96,829	36,742	97,242	65,652

14. Creditors

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Trade creditors	98,674	23,653	98,433	23,109
Accruals and deferred income	118,543	200,642	117,145	195,512
Other creditors	70,107	39,863	70,107	39,863
	287,324	264,158	285,685	258,484

15. Reserves

	At 1 April 2023 as restated (Note 21)	Incoming resources	Resources expended	Gains & losses	Transfers	At 31 March 2024
	£	£	£	£	£	£
Unrestricted funds						
General funds (net)	1,612,057	967,746	(1,085,384)	-	107,305	1,601,724
Designated funds						
RBG West area SWG	991,170	1,340,151	(918,993)	16,564	(96,188)	1,332,704
RBG Family Hub	-	390,000	(213,958)	-	(7,194)	168,848
Revaluation reserve	185,581	-	-	59,985	-	245,566
Total designated funds	1,176,571	1,730,151	(1,132,951)	76,549	(103,382)	1,747,118
Total unrestricted funds	2,788,808	2,697,897	(2,218,335)	76,549	3,923	3,348,842
Restricted funds						
Children-in-need grant	5,197	-	-	-	-	5,197
RBG Perinatal grant (1)	21,970	-	-	-	-	21,970
RBG Perinatal grant (2)	-	40,258	(4,269)	-	-	35,989
RBG Perinatal grant (3)	-	36,203	(14,023)	-	-	22,180
Notional rent - QCC	-	39,000	(39,000)	-	-	-
Notional rent - MBN	-	43,000	(43,000)	-	-	-
RBG Food Pantry fund	10,200	1,045	(4,004)	-	(3,923)	3,318
RBG Warm Spaces grant	1,032	-	(1,032)	-	-	-
RBG Community fund grant	6,169	751	(1,535)	-	-	5,385
Tree Fund	-	130	-	-	-	130
Hardship grant	1,266	5,000	(3,523)	-	-	2,743
Total restricted funds	45,834	165,387	(110,386)	-	(3,923)	96,912
Total funds	2,834,642	2,263,284	(2,012,758)	153,781	-	3,445,754

15. Reserves (continued)

Unrestricted funds - The revaluation reserve relates to investments.

RBG West area SWG and RBG Family Hub relate to funds received from the Royal Borough of Greenwich to deliver the "Start Well Greenwich" Children's Centre Contract in the Greenwich West area for a period of five years from 1 April 2020 and Family Hub services, respectively.

Restricted funds
Children-in-Need – Funding received from BBC Children-in-need for a project entitled "Think aloud – Document your Pandemic".

RBG Perinatal Services – Funding received from Royal Borough of Greenwich for Perinatal Services.

Notional Rent QCC and MBN represents estimates of the rent that would be payable for the premises from which Quaggy Children's Centre and Margaret Bondfield Nurseries operate if they were not provided rent-free by the Royal Borough of Greenwich. The estimates are included as donations in note 3 and expenditure in note 9.

RBG Food Pantry Fund relates to a grant received from Royal Borough of Greenwich for the establishment of a Food Pantry Scheme.

RBG Warm Spaces Grant relates to a grant received from Royal Borough of Greenwich for the establishment of Warm Spaces during early 2023.

RBG Community Fund Grant relates to a grant received from the Royal Borough of Greenwich's Small Community Fund to help those in need with paying energy bills.

Hardship Grant relates to funds received to provide financial support to families suffering hardship.

16. Pension commitments – group and charity

During the year, the charity employed two (2023: two) members of staff who belonged to the Local Government Pension Scheme (LGPS), a defined benefit pension scheme managed by a local authority.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation related to the year ended 31 March 2024. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Local Government Pension Scheme (LGPS)

The charity is one of the several employing bodies included within the Local Government Pension Scheme.

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total employer's contribution for the year ended 31 March 2024 was £13,074 (2023: £13,122) representing a contribution rate of 18.6%.

Principal Activity Assumptions	**2024**	**2023**
	%	%
Rate of increase in salaries	3.90	3.90
Rate of increase in pensions	2.90	2.90
Discounted rate for liabilities	4.95	4.80
Inflation rate	3.10	10.10

The return on the Fund is estimated to be 7.7%

16. Pension commitments – group and charity (continued)

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2024	2023
Retiring today		
Males	19.3	19.6
Females	22.7	23.0
Retiring in 20 years		
Males	20.6	21.0
Females	24.2	24.5

Analysis of amounts recognised in the Statement of Financial Activities

	2024 £	2023 £
Current service cost	11,935	31,478
Net interest on defined benefit liability	40	4,349
Administration expenses	126	110
Total expenditure to be recognised in the SOFA	12,101	35,937
Value of scheme assets and liabilities		
Equities	101,903	84,145
Bonds	43,473	36,085
Property	18,361	15,847
Cash	3,949	2,723
UK & Overseas unit trusts	22,396	19,812
Market value of assets	190,082	158,612
Present value of scheme liabilities – funded	(180,802)	(165,896)
Net pension asset/(deficit) in scheme	9,280	(7,284)

In accordance with the requirements of FRS 102, the Pension asset has not been recognised on the Balance Sheet.

The expected return on assets, other than bonds, is calculated using an economic scenario generator that uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variable. Expected returns on bond assets are derived from the yields applicable to the accounting date on suitable bond indices.

16. Pension commitments – group and charity (continued)

Analysis of amount chargeable to the Statement of Financial Activities (SOFA)

	2024 £	2023 £
Return of fund assets in excess of interest	4,868	(9,496)
Other actuarial gains/(losses) on assets	-	(28,846)
Change in financial assumptions	8,476	206,764
Change in demographic assumptions	2,344	16,215
Experience (loss)/gain on defined benefit obligation	(97)	7,963
Change in effect of asset ceiling	-	-
Remeasurement of the net assets/(defined liability)	15,591	192,600
Movements in present value of defined benefit obligations:		
Liabilities at 1 April 2023	165,896	350,719
Current service cost	11,935	31,478
Contributions from scheme members	5,598	5,626
Change in financial assumptions	(8,476)	(206,764)
Change in demographic assumptions	(2,344)	(16,215)
Liabilities assumed on settlements	-	-
Experience gain on defined benefit obligation	97	(7,963)
Past service cost	-	-
Interest cost	8,096	9,015
At 31 March 2024	180,802	165,896
Movements in the fair value of Fund assets		
Fair value of assets at 1 April 2023	158,612	173,650
Interest on assets	8,056	4,666
Return on assets less interest	4,868	(9,496)
Actuarial loss	-	(28,846)
Administration expenses	(126)	(110)
Settlement prices received / (paid)	-	-
Contributions by employer	13,074	13,122
Contributions by scheme members	5,598	5,626
Fair value of assets at 31 March 2024	190,082	158,612

17. Other financial commitments

At the year end the Charity had annual commitments under non-cancellable operating lease in relation to the Nursery at Parkside Square, Lewisham, SE10 8FN as set out below:

	2024 £	2023 £
Falling due within one year	28,000	28,000
Falling due between two and five years	112,000	112,000
Falling due in more than five years	42,000	70,000
	182,000	210,000

All operating lease payments are charged to the SOFA as they fall due.

18. Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
2024			
Fixed assets	1,990,879	-	1,990,879
Cash at bank and in hand	1,548,458	96,912	1,645,370
Other net current liabilities	(190,495)	-	(190,495)
Pension scheme provision	-	-	-
	3,348,842	96,912	3,445,754
2023 (as restated – note 21)			
Fixed assets	1,935,884	-	1,935,884
Cash at bank and in hand	(22,829)	1,156,287	1,133,458
Other net current liabilities	(115,417)	(111,999)	(227,416)
Pension scheme provision	-	(7,284)	(7,284)
	1,797,638	1,037,004	2,834,642

19. Related parties

At 31 March 2024, the charity was owed £116,964 (2023: £143,550) by its subsidiary, Quaggy Café at Parkside Limited. During the year, the charity made a provision against this balance of £3,000 in addition to a provision of £113,550 made in the previous year leaving a recoverable balance of £414 (2023: £30,000).

During the year, the charity received income amounting to £3,479 (2023: £6,921) from The Wash House Youth Project, a charity of which S C Riley, a Trustee, is also a Trustee.

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2024 £	2023 £
Net movement in funds	611,112	400,785
Depreciation charge	25,620	34,860
Losses on investments	(59,985)	16,004
Dividends, interest and rents from investments	(87,444)	(54,546)
Decrease in defined benefit pension liability	(16,564)	(169,785)
Decrease in stocks	-	188
(Increase)/decrease in debtors	(50,807)	(6,598)
(Decrease) in creditors	23,166	(46,158)
Net cash provided by operating activities	445,098	174,750

21. Prior year adjustment

During the year, and following the receipt of Family Hub funding, the Trustees undertook a review of the treatment of income received including considering the treatment of income received under the Greenwich Greenwich West Children's Centre contract from the Royal Borough of Greenwich (RBG). The conclusion of this review, which was discussed with and agreed by the Charity's auditors and which mirrors the approach adopted by other organisations which receive income from RBG under Children's Centre contracts, was that the income is not restricted. The Trustees also agreed that they would operate the contract as a designated fund.

As a result of this review, the balance brought forwards at 1 April 2023 was treated as Unrestricted and Designated with transactions from the prior period being restated accordingly. This restatement had no effect on the overall result for the year ended 31 March 2023 or on the total funds of the Charity as at 31 March 2023. A summary of the effect of this change on the Statement of Financial Activities for the year ended 31 March 2023 and the Balance Sheets as at 31 March 2023 is set out below:

Summary Statement of Financial Activities for the year ended 31 March 2023

	As originally stated £	Prior period adjustment £	As restated £
Income			
Unrestricted income	835,286	1,311,817	2,147,103
Restricted income	1,413,294	(1,311,817)	101,477
Total income	2,248,580	-	2,248,580
Expenditure			
Unrestricted expenditure	1,036,316	879,508	1,915,824
Restricted expenditure	965,260	(879,508)	85,752
Total expenditure	2,001,576	-	2,001,576
Net income/(expenditure) before gains & losses on investments			
Unrestricted	(201,030)	432,309	231,279
Restricted	448,034	(432,309)	15,725
Total	247,004	-	247,004

21. Prior year adjustment (continued)

Summary Statement of Financial Activities for the year ended 31 March 2023

	As originally stated £	Prior period adjustment £	As restated £
Net income/(expenditure)			
Unrestricted	(217,034)	432,309	215,275
Restricted	448,034	(432,309)	15,725
Total	231,000	-	231,000
Transfers between funds			
Unrestricted	151,400	(151,400)	-
Restricted	(151,400)	151,400	-
Total	-	-	-
Other recognised gains and losses			
Unrestricted	177,069	(7,284)	169,785
Restricted	(7,284)	7,284	-
Total	169,785	-	169,785
Net movement in funds			
Unrestricted	111,435	273,625	385,060
Restricted	289,350	(273,625)	15,725
Total	400,785	-	400,785
Funds as at 1 April 2022			
Unrestricted	1,686,203	717,545	2,403,748
Restricted	747,654	(717,545)	30,109
Total	2,433,857	-	2,433,857
Funds as at 31 March 2023			
Unrestricted	1,797,638	717,545	2,515,183
Restricted	1,037,004	(717,545)	319,459
Total	2,834,642	-	2,834,642

QUAGGY DEVELOPMENT TRUST

England & Wales - Charity number 1109711

Accounts

Company number: 4749158

Charity Number: 1109711

QUAGGY DEVELOPMENT TRUST
(A Charitable Company Limited by Guarantee)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2023

QUAGGY DEVELOPMENT TRUST
Improving the lives of
local children and families

QUAGGY DEVELOPMENT TRUST

CONTENTS

	Page
Legal & administrative information	1
Report of the Trustees	2 – 7
Independent Auditor's report	8 – 10
Accounts comprising:	
Consolidated Statement of financial activities	11
Consolidated Balance sheet	12
Consolidated Statement of cashflows	13
Notes to the accounts	14 – 27

QUAGGY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2023

Trustees	Natalie Meguerditchian (Chair) Naomi Delap Simon Riley (Treasurer and Vice-Chair) Beatrice Panduru
Key Management	Dawn Jacovou (Chief Executive) Joanna Lawrence (Deputy Executive)
Registered office	Quaggy Childrens Centre Orchard Hill London SE13 7QZ
Company Secretary	Timothy Rogerson FCA
Bankers	National Westminster Bank Plc 143 High Street Bromley BR1 1JH
Auditor	Simpson Wreford LLP Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS
Company number	04749158
Charity number	1109711

The trustees (who are also the directors of the charitable company for the purposes of company law) are pleased to present their report together with the consolidated financial statements of the Charity for the year ended 31 March 2023 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The information shown on page 1 forms part of this report.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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)".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Quaggy Development Trust (QDT) is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 30 April 2003 (company number 4749158). Revised Articles of Association were adopted on 1 December 2021. The Charity was registered as a charity with the Charity Commission on 26 May 2005. Since 1 December 2021 the only members of the company have been its Trustees. Members have agreed to contribute £1 in the event of the charity being wound up.

The principal operating address is Quaggy Childrens Centre, Orchard Hill, London SE13 7QZ.

Charity governance

The Charity is governed by its board comprising Trustees and Key Management. This combined board is responsible for the Charity's operations. Where a vote is required, only those on the Board who are Trustees have the power to register a vote.

The Board Members of the charitable company throughout the year and to the date of signing of this report, except where indicated, are as follows:

Trustees	*Key management*
Susan McKee (until 23 January 2023 and Chair to that date)	Dawn Jacovou (Chief Executive)
Naomi Delap	Joanna Lawrence (Deputy Chief Executive)
Simon Riley (Treasurer and Vice-Chair)	
Natalie Meguerditchian (Chair from 23 January 2023)	
Emma Brady (until 1 April 2022)	
Beatrice Panduru (from 24 May 2022)	

Appointment of Trustees

As set out in the Articles of Association, new Trustees are appointed by a decision of the existing Trustees. The minimum number of Trustees is three and the maximum is twelve. Trustees serve for a term of three years and may serve a maximum of three consecutive terms before taking a break of at least one year unless the Trustees decide that there are exceptional circumstances which mean that it would not be in the best interest of the Charity for the Trustee to take a break from office. The Trustees may appoint a Chair, Vice-Chair and Treasurer from among their number.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees' Induction and Training

New Trustees and Key Management undergo an orientation meeting to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Committee and decision-making processes, business plans and recent financial performance of the Charity. During the induction process, they meet key employees and other Trustees and are given a Trustees' information pack containing comprehensive guidance notes relating to their role. Internal training sessions are held for Trustees on an annual basis after their initial induction and Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees delegates day to day management of the charity to the Chief Executive, Dawn Jacovou, and her team. Until April 2023 the Board has usually met once every two months, but since April 2023 it has met quarterly. The Human Resources and Finance sub-committees also now meet quarterly rather than when required. The devolved responsibilities of these sub-committees are set out in their governing terms of reference.

Related Parties

The charity owns 100% of the share capital in Quaggy Café at Parkside Limited, a trading company. The trading company's accounts have been consolidated into these accounts.

Apart from the subsidiary the only other known related parties are the Trustees and Key Management.

The charity maintains a close working relationship with the Royal Borough of Greenwich and the London Borough of Lewisham.

Risk Management

A comprehensive risk assessment review, in line with Charity Commission guidance, was undertaken by the senior leadership team and Trustees in the first quarter of 2020. The areas of risk considered were governance, external, regulatory and compliance, financial and operational. The Trustees support the need for risks to be kept under regular review. The Risk Register is reviewed at least annually and more regularly if appropriate.

The following general principles underpin the risk management processes:

- Evaluation of risk forms part of strategic and business planning, and investment and project appraisal;
- Risk management ensures that the application of internal controls is proportionate to the risk the controls are designed to manage;
- Managers and staff at all levels have a responsibility to identify, evaluate and manage or report risks;
- Ownership of risk is allocated to individuals best placed to manage the risk – i.e. they have the authority and necessary resources to manage the risk;
- QDT fosters a culture which spreads best practice, lessons learned and expertise acquired from risk management activities across the Trust.

OBJECTIVES AND ACTIVITIES

Since 1 December 2021, the objects of the Charity have been the promotion for the public benefit of urban regeneration in areas of social and economic deprivation (and in particular the area of benefit) by all or any of the following means:

- The advancement of education, training and retraining, particularly among unemployed people, and providing employed people with work experience;
- The relief of poverty in such ways as may be thought fit;
- The development of the capacity and skills of members of the area of benefit in such a way that they are better able to identify and help meet their needs, and to participate more fully in society;
- The relief of unemployment in such ways as may be thought fit;
- The provision of public health facilities and childcare;
- The provision of public safety and the prevention of crime;
- The provision of recreational facilities for the public at large and/or those who by reasons of their youth, age, infirmity or disability, poverty or social and economic circumstances have need of such facilities.

The area of benefit is the West Ward of the Royal Borough of Greenwich, and the immediate surrounding area.

The Trustees have considered the Charity Commission's general guidance on public benefit when reviewing the aims and objectives. During the year the Charity's activities were principally focused on:

- Continuing the consolidation of our work providing, supporting and developing community services on the Coldbath and Orchard Estate and surrounding areas;
- Maintaining the development of the long-term strategic plan in order to identify and embrace new and existing ways in which our work will benefit the local area;
- Implementing the proposals made in the successful bid for the Start Well Greenwich contract, which commenced on 1 April 2020 and maintaining our close relationship with the Royal Borough of Greenwich Council.

FINANCIAL REVIEW

The Statement of Financial Activities shows a surplus for the year of £400,785 (2022: £209,220) with the principal funding sources of the Charity being the contract for the provision of Children's Centres, Nursery income, Crèche and Counselling services.

The Balance Sheet at the year-end shows total funds of £2,834,642 (2022: £2,433,857) of which £1,037,004 (2022: £747,654) is restricted.

The Trustees acknowledge the following funders during the year:

- Royal Borough of Greenwich (Greenwich West Childrens Centres) - £1,311,818;
- Royal Borough of Greenwich (Other grants) - £19,277

In November 2019 the Royal Borough of Greenwich awarded Quaggy Development Trust the Contract for Greenwich West Childrens Centres. This is a 5-year contract which commenced in April 2020, with an option for a further 4 years running to March 2029.

ACHIEVEMENTS AND PERFORMANCE 2022-2023

Early Years and Nurseries

The Trust's continued to operate three nurseries, with the number of children attending gradually increasing although this was still significantly lower than before the pandemic. Parkside Nursery was inspected by OFSTED in Summer 2022 and awarded "Good" in all categories. Special activities were created to mark the late Queen's Diamond Jubilee, as well as recycling week, Halloween, Chinese New Year, Pancake Day and various other dates through the year. Following the takeover of "First Steps" (a software provider) by "Famly", all nursery administration was migrated to the new software during the year. The work undertaken on an ECO-strategy for the Trust was recognised when it was awarded an Eco-Schools Green Flag with distinction and received feedback, which highlighted the "excellent commitment to … the eco-cause".

Greenwich West Children's Centres

This was the first year of the current (April 2020 to March 2025) Royal Borough of Greenwich contract not to be affected significantly by the Covid 19 pandemic, meaning that a full range of activities was able to be offered across all the Children's Centres. The Trust achieved its Payment by Results objectives and ran a Fun Day for the first time since 2019, attended by over 100 families. The Children's Centre team continued to offer Early Help support to families and was again able to offer a placement to a Student Social worker during the year.

Volunteers

We thank those of our volunteers who undertook voluntary work with us during the year. This included giving Breastfeeding one to one support, supporting the Older People's Lunch Club and Youth Club and offering counselling services.

Lunch Club and Youth Club

The older persons' lunch club met weekly during the year and enjoyed a pre-Christmas outing to Ruxley Garden Centre with a Christmas dinner being offered a week later. Youth activities, offered with the support of the Wash House Youth Project, continued with Football sessions being offered in conjunction with Charlton Athletic Football Club and Youth Club activities running for much of the year.

Counselling Service

Demand for the Counselling service remained high with referrals being received regularly from Greenwich and Lewisham NHS counselling services as well as self-referrals from the Trust's website. The Trust continued to provide art therapists to the two Invicta Primary School sites.

Staff

Recognising the importance of the charity's staff, the Trustees commissioned a staff survey during the year, in which over half of the staff team participated. After receiving the results of this survey, the Trustees revised staff employment contracts reflecting the competitive nature of the employment market for the sector. The Trust also introduced a software based leave management system during the year enabling staff to book holiday remotely.

Grants received

The Trust received three grants in the year, one for food poverty, another for warm spaces and a third one to assist families struggling with the cost of living, which has included contributing towards energy bills.

ACHIEVEMENTS AND PERFORMANCE 2022-2023 (continued)

Other activities

After a break of two years caused by the Covid-19 pandemic, the Trust was pleased to be able to run the Quaggy Carnival at the start of July 2022. Through its subsidiary company, Quaggy Café at Parkside Limited, it also operated the Quaggy Café at Parkside Square which enjoyed a significant increase in customers compared with the previous year, although following the termination of the lease, the café closed on 31 March 2023.

FUTURE PLANS AND OBJECTIVES FOR 2023-2024

The Trustees took the decision to close Quaggy Nursery at Parkside with effect from the end of the Summer Term 2023, which was communicated to parents in May 2023. The small number of children affected have been offered places at Quaggy Childrens Centre Nursery.

The Trust is currently working with several partners to establish a food pantry for the Orchard and Coldbath Estates with the aim of reducing the high levels of food poverty being experienced by some in these locations.

It is also working to establish a new location for some Children's Centre services at Charlton Triangle. It is also working with the Royal Borough of Greenwich on the development of Family Hubs, a central Government Initiative aimed at reducing inequalities in health and education outcomes for babies, children and families in England following receipt of evidence which showed that some of the most disadvantaged families did not access vital services.

During the year the Trustees took the decision to implement the London Living Wage for all staff with effect from 1 April 2023 and subsequently to seek accreditation as a Living Wage Employer.

INVESTMENT POLICY

The Charity owns two residential investment properties close to its main offices, which are held to provide regular income and capital appreciation. During the year, having reviewed the balances that should be held as cash at the bank the Trustees took the decision to make two further investments, but this time in ethical Charity Investment Funds, again with the purpose of providing regular income and modest capital appreciation. It is the Trustees' intention that the income generated by these investments will be used to support some of the charity's activities which are not publicly funded, including the Quaggy Carnival, Lunch Club and Counselling Services. The Trustees are satisfied with the performance of all investments during the year.

RESERVES POLICY

After consideration of funding and contingency requirements of the Charity, the Trustees believe that free reserves (as defined by the Charity Commission) equivalent to between eight and nine months of expenditure should be maintained, which they estimate (following the changes in the contract with the Royal Borough of Greenwich) as being approximately £1,500,000. At 31 March 2023, free reserves amounted to £724,057 and so were some way below the target. It is the intention of the Trustees to increase free reserves to the target level in the medium term.

TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period.

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

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

The trustees are responsible for keeping proper 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 the group 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 to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

AUDITORS

Simpson Wreford LLP have expressed their willingness to continue as auditors and their reappointment will be proposed at the Annual General Meeting.

The above report has been prepared in accordance with the special provisions of Section 419(2) of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 5 December 2023 and signed on its behalf by:

Natalie Meguerditchian

.....

N Meguerditchian (Chair)

Opinion

We have audited the financial statements of Quaggy Development Trust (the 'Charity') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cash Flow Statement and the related 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 Charity'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;
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Charity'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 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and 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 the strategic report and the directors' report) have 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which 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;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the trustees
As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Our 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. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of membership organisations and support services sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, data protection and OFSTED regulations

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Audit response to risks identified
We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with OFSTED.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report
This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's 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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

MB

Michael Broder BSc FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wreford LLP, Statutory Auditor
Wellesley House, Duke of Wellington Avenue, Royal Arsenal, London SE18 6SS

Dated: 13/12/2023

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

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2023
(including consolidated income and expenditure account)

	Notes	2023 Unrestricted funds £	2023 Restricted funds £	2023 Total funds £	2022 Total funds £
Income					
Donations and legacies	3	1,087	82,200	83,287	52,996
Charitable activities	4	717,203	1,331,094	2,048,297	2,987,716
Investment income	5	54,546	-	54,546	35,475
Other trading activities	6	57,339	-	57,339	28,848
Other income		5,111	-	5,111	4,846
Total income		835,286	1,413,294	2,248,580	3,109,881
Expenditure					
Raising funds	8	88,411	-	88,411	41,445
Charitable activities	9	947,905	965,260	1,913,165	2,873,226
Total expenditure		1,036,316	965,260	2,001,576	2,914,671
Net (expenditure)/income before gains and losses on investments		(201,030)	448,034	247,004	195,210
Net gains and losses on investments					
Losses on investment assets		(16,004)	-	(16,004)	-
Net (expenditure)/income		(217,034)	448,034	231,000	195,210
Transfers between funds		151,400	(151,400)	-	-
Other recognised gains and losses					
Actuarial gains/(losses) on Defined benefit pension scheme	17	177,069	(7,284)	169,785	14,010
Net movement in funds		111,435	289,350	400,785	209,220
Reconciliation of funds					
Total funds brought forward		1,686,203	747,654	2,433,857	2,224,637
Total funds carried forward	16	1,797,638	1,037,004	2,834,642	2,433,857

The Statement of Financial Activities includes all gains and losses recognised in the year.

All amounts relate to continuing activities except for Income from *Other Trading Activities* (£57,339, 2022: £28,848) and Expenditure on *Raising Funds* (£88,411, 2022: £41,445), which relate to an activity which was discontinued on 31 March 2023. The result from this discontinued activity was a deficit of £31,072 (2022: £12,597). All other amounts relate to continuing activities, being income amounting to £2,191,241 (2022: £3,081,833), expenditure of £1,913,165 (2022: £2,873,226), net income before gains and losses on investments of £278,076 (2022: £207,807) and net movement in funds of £431,857 (2022: £221,817).

The notes on pages 14 to 27 form part of these financial statements.

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023

	Notes	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Fixed assets					
Tangible assets	11	178,750	213,610	178,750	213,610
Investments	12	1,757,134	973,138	1,757,135	973,139
		1,935,884	1,186,748	1,935,885	1,186,749
Current assets					
Stock	13	-	188	-	-
Debtors	14	36,742	27,205	65,652	136,201
Cash at bank and in hand		1,133,458	1,707,101	1,104,387	1,682,852
		1,170,200	1,734,494	1,170,039	1,819,053
Creditors: amounts falling due within one year	15	(264,158)	(310,316)	(258,484)	(306,883)
Net current assets		906,042	1,424,178	911,555	1,512,170
Total assets less current liabilities		2,841,926	2,610,926	2,847,440	2,698,919
Defined benefit pension scheme	17	(7,284)	(177,069)	(7,284)	(177,069)
Total assets less liabilities		2,834,642	2,433,857	2,840,156	2,521,850
Funds					
Unrestricted general funds		1,612,057	1,484,618	1,617,571	1,572,611
Unrestricted revaluation reserve		185,581	201,585	185,581	201,585
Restricted funds		1,037,004	747,654	1,037,004	747,654
Total funds	16	2,834,642	2,433,857	2,840,156	2,521,850

The directors have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

The financial statements on pages 11 to 27 were approved by the Trustees on 5 December 2023 and are signed on their behalf by:

.....

S C Riley (Treasurer and Vice-Chair)
Trustee

Company number: 04749158 (England and Wales). Charity number: 1109711.

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023 £	2022 £
Cash generated by operating activities	**21**	174,750	151,382
Cash flows from investing activities			
Dividends, interest and rents from investments		51,607	35,475
Purchase of investment property		-	(7,100)
Purchase of investments		(800,000)	-
Purchase of tangible fixed assets		-	(2,133)
Cash used in investing activities		(748,393)	(26,242)
Increase/(decrease) in cash and cash equivalents in the year		(573,643)	177,624
Cash and cash equivalents at the beginning of the year		1,707,101	1,529,477
Total cash and cash equivalents at the end of the year		1,133,458	1,707,101

1. Principal accounting policies

Company information
Quaggy Development Trust is a Charitable Company Limited by Guarantee incorporated in England and Wales, registration number 04749158. The registered office is Quaggy Childrens Centre, Orchard Hill, London, SE13 7QZ.

Basis of accounting
The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)" - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Quaggy Development Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value or amortised cost. The principal accounting policies adopted are set out below.

Group financial statements
The financial statements consolidate the results of the charity and its wholly owned subsidiary, Quaggy Café At Parkside Limited, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income
Income is recognised dependent on the nature of the income receivable:

- Nursery and crèche fees are accounted for on an accrual basis. Any fees received in advance are deferred and included in the Statement of Financial Activities in the year the fees relate to.
- Donations are recognised when the charity is legally entitled to the income.
- Grants, including grants for fixed assets, are recognised within the accounts as they become receivable. Grants received in the accounting period of respect of future accounting periods are deferred until those periods.
- Other trading activities relate to income derived from the subsidiary company and are recognised at fair value upon transfer of goods or at the time of a service being provided.
- Other income, including bank interest, is accounted for on an accrual basis once the income becomes receivable and that amount can be measured reliably by the charity.
- Donated services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1. Principal Accounting Policies (continued)

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading and includes wage costs of employees' time spent and their associated support costs.
- Expenditure on charitable activities includes the costs of running community projects and the children's services, undertaken to further the purposes of the charity and their associated support costs.

Grants payable are accounted for on an accrual basis and are accounted for in charitable activities and recognised in the restricted funds to which they relate if applicable. Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grant.

Allocation of support costs
Support costs which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities. The apportionment is defined as either direct or indirect.

Investments
Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Fair value is determined by the Trustees using freely available information from internet sites such as Rightmove and Zoopla. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

Investments in equity instruments are measured initially at fair value, which is usually the transaction price. Subsequent to initial recognition, investments that can be valued reliably are measured at fair value with changes in value recognised in the Statement of Financial Activities. Other investments are measured at cost less any impairment (recognised in the Statement of Financial Activities).

Tangible fixed assets
Individual fixed assets with a cost of more than £800 are capitalised at cost and depreciated over their expected useful life, as follows:

Plant and machinery, consisting of:	
• Kitchen equipment	20% straight line
• Toys and play equipment	25% straight line
Office equipment, consisting of:	
• Office equipment	15% straight line
• Computers	25% straight line
Leasehold improvements	over the period of the lease

Stock
Stocks are valued at the lower of cost and net realisable value.

Debtors
Trade and other debtors are recognised at the settlement amount due after trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1. Principal Accounting Policies (continued)

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

Operating lease commitments
Rentals paid under operating leases are charged on a straight-line basis over the lease term.

Going concern
At the time of approving the financial statements, the trustees have a reasonable expectation that the charity 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.

Pensions
Retirement benefits to two of the employees of the charity are provided by the Local Government Pension Scheme ('LGPS'). This is a defined benefit scheme, the assets of which are held separately from those of the charity.

The LGPS is a funded scheme and the assets are held separately from those of the charity in separate trustee administered funds. Pension scheme assets are measured at fair value and the liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance cost or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

The Charity also operates a defined contribution pension scheme. The assets of this scheme are also held separately from those of the Charity in an independently administered fund. Contributions are charged to the Statement of Financial Activities as they become payable. Pension contributions are allocated between restricted and unrestricted funds based on the time spent by staff.

Financial instruments
The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Legal status of the Trust
The Trust 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. Principal Accounting Policies (continued)

Fund accounting

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

Restricted funds are funds made to the charity which are to be used in accordance with specific restrictions imposed by donors. The cost of raising and administering such funds are charged against the specific fund. The aim and use of material restricted funds is set out in note 16 to the financial statements.

Designated funds are unrestricted funds which have been designated by the Trustees for a specific purpose.

2. Financial performance of the Charity

The consolidated statement of financial activity includes the results of the Charity's wholly owned subsidiary, Quaggy Café at Parkside Limited. The summary financial performance of the Charity alone is:

	2023 £	2022 £
Income	2,191,241	3,081,033
Expenditure	(1,913,166)	(2,873,225)
Provision against loan to Quaggy café at Parkside Limited	(113,550)	-
	164,525	207,808
Losses on investment assets	(16,004)	-
Actuarial gains on defined benefit pension scheme	169,785	14,010
Net income	318,306	221,818
Funds brought forward	2,521,850	2,300,032
Total funds carried forward	2,840,156	2,521,850
Represented by:		
Restricted funds	1,037,004	747,654
Unrestricted funds	1,803,152	1,774,196
	2,840,156	2,521,850

3. Donations income

	2023 £	2022 £
Notional rent - restricted	82,000	47,000
Other donations - restricted	200	5,000
Total restricted	82,200	52,000
Other donations - unrestricted	1,087	996
Total donations	83,287	52,996

The local council provides the buildings, from which the Quaggy Children's Centre and Nursery and Margaret Bondfield Nursery are run, free of charge. Notional rent is an estimated contribution of the cost to the Charity if the facilities were to be provided by third party.

4. Charitable activities income

	Unrestricted Funds £	Restricted Funds £	Total £
2023			
Nursery and crèche fees	670,940	-	670,940
Start Well Greenwich West contract	-	1,311,817	1,311,817
Other grant income	-	19,277	19,277
Catering income	83	-	83
Other community work income	46,180	-	46,180
	717,203	1,331,094	2,048,297
2022			
Nursery and crèche fees	654,946	-	654,946
Greenwich West Children's Centre contract	-	2,236,219	2,236,219
Other grant income	-	69,174	69,174
Catering income	522	-	522
Other community work income	26,855	-	26,855
	682,323	2,305,393	2,987,716

5. Investment income

	2023 £	2022 £
Rental income	33,491	35,388
Dividends received	20,943	-
Bank interest	112	87
	54,546	35,475

All amounts relate to unrestricted funds.

6. Commercial trading operations

The wholly owned subsidiary Quaggy Café at Parkside Limited is incorporated in the United Kingdom (company number 10642622). Until 31 March 2023, the subsidiary company operated a local community café located near to Quaggy Childrens Centre. All amounts shown relate to discontinued activites. The summary financial performance of the subsidiary alone is:

	2023 £	2022 £
Turnover and other operating income	57,339	28,848
Cost of sales and administrative expenses	(88,411)	(41,445)
Net loss retained in subsidiary	(31,072)	(12,597)
The assets and liabilities of the subsidiary were:		
Current assets	30,161	25,046
Current liabilities	(149,224)	(113,037)
Total net liabilities	(119,063)	(87,991)
Aggregate share capital and reserves	(119,063)	(87,991)

7. Operating profit

	2023 £	2022 £
This is stated after charging:		
Depreciation of owned fixed assets	34,860	45,135
Auditor's remuneration		
- Audit of the financial statements	8,700	7,500
- Other services	807	807

8. Raising funds expenditure

	2023 £	2022 £
Commercial trading operations – note 6	88,411	41,445
Fundraising expenditure	-	-
	88,411	41,445

9. Charitable activities expenditure

	Unrestricted funds £	Restricted funds £	Total £
2023			
Staff costs including expenses (note 10)	715,503	657,226	1,372,729
Subcontract costs	-	-	-
Premises, utilities and equipment	99,786	137,355	237,141
Community activities	41,789	81,437	123,226
Nursery and crèche	27,446	13,376	40,822
Office, computers and communications	16,001	27,870	43,871
Legal and professional	5,324	22,697	28,021
Depreciation	22,292	12,568	34,860
Sundry expenses	12,071	6,907	18,978
Audit and accountancy fees	7,693	5,824	13,517
	947,905	965,260	1,913,165
2022			
Staff costs including expenses (note 10)	764,540	558,813	1,323,353
Subcontract costs	-	1,064,463	1,064,463
Premises, utilities and equipment	31,656	148,931	180,587
Community activities	13,274	110,265	123,539
Nursery and crèche	29,605	5,431	35,036
Office, computers and communications	18,461	45,022	63,483
Legal and professional fees	994	9,668	10,662
Depreciation	44,946	-	44,946
Sundry expenses	8,087	8,361	16,448
Audit and accountancy fees	6,638	4,071	10,709
	918,201	1,955,025	2,873,226

Legal and professional fees and Audit and accountancy fees constitute Governance costs and relate wholly to Charitable Activities so have been allocated in their entirety to Expenditure on Charitable Activities.

10. Staff costs and numbers

No remuneration was paid to any of the Trustees in the year and none of the Trustees were reimbursed any expenses in the year.

Staff wage costs were as follows:

	2023 £	2022 £
Salaries and wages	1,080,545	1,067,260
Key management remuneration	151,227	144,164
Social security costs	109,749	97,967
Defined contribution pension costs	21,341	19,428
Pension service cost	13,122	14,538
	1,375,984	1,343,357

One employee, who is included above within key management, received emoluments of between £90,001 and £100,000 both in the current year and the comparative year. Another employee, also included within key management, received emoluments of between £60,001 and £70,000 in the current year only. No other employee received emoluments of more than £60,000 in either year.

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

	2023 No.	2022 No.
Nursery and Children Centre staff	38	38
Management and administration	10	12
Other support services	2	2
Quaggy Café at Parkside	2	2
	52	54

11. Tangible fixed assets - *Group*

	Leasehold improvements £	Office equipment £	Plant & machinery £	Kitchen equipment £	Total £
Cost or valuation					
At 1 April 2022	302,355	157,225	78,381	1,728	539,689
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2023	302,355	157,225	78,381	1,728	539,689
Depreciation					
At 1 April 2022	110,302	135,668	78,381	1,728	326,079
Charge for the year	20,216	14,644	-	-	34,860
At 31 March 2023	130,518	150,312	78,381	1,728	360,939
Net book value					
At 31 March 2023	171,837	6,913	-	-	178,750
At 31 March 2022	192,053	21,557	-	-	213,610

11. Tangible fixed assets - *Charity*

	Leasehold improvements £	Office equipment £	Plant & machinery £	Total £
Cost or valuation				
At 1 April 2022	302,355	157,225	78,381	537,961
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2023	302,355	157,225	78,381	537,961
Depreciation				
At 1 April 2022	110,302	135,668	78,381	324,351
Charge for the year	20,216	14,644	-	34,860
At 31 March 2023	130,518	150,312	78,381	359,211
Net book value				
At 31 March 2023	171,837	6,913	-	178,750
At 31 March 2022	192,053	21,557	-	213,610

12. Investments

	Investments £	Investment properties £	Total £
Group			
Valuation			
At 1 April 2022	-	973,138	973,138
Additions	800,000	-	800,000
Revaluation	(2,866)	(13,138)	(16,004)
At 31 March 2023	797,134	960,000	1,757,134
Charity			
Valuation			
At 1 April 2022	1	973,138	973,139
Additions	800,000	-	800,000
Revaluation	(2,866)	(13,138)	(16,004)
At 31 March 2023	797,135	960,000	1,757,135

The investment in subsidiary relates to the entire ordinary share capital of Quaggy Café at Parkside Limited and the details of this company are provided in note 6 to these financial statements.

Investments comprise:

	Group		Charity	
	2023 £	2022 £	2023 £	2022 £
COIF Charities Investment Fund	406,870	-	406,870	-
Cazenove Charity Responsible Multi-Asset Fund	390,264	-	390,264	-
Investment in subsidiary	-	-	1	1
Total funds	797,134	-	797,135	1

13. Stock

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Food	-	188	-	-

14. Debtors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade debtors	3,485	1,354	3,485	745
Other debtors	13,936	12,351	12,846	12,351
Amounts owed by group undertakings	-	-	30,000	109,605
Prepayments and accrued income	19,321	13,500	19,321	13,500
	36,742	27,205	65,652	136,201

15. Creditors

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Trade creditors	23,653	24,309	23,109	24,309
Accruals and deferred income	200,642	245,084	195,512	241,651
Other creditors	39,863	40,923	39,863	40,923
	264,158	310,316	258,484	306,883

16. Reserves

	At 1 April 2022	Incoming resources	Resources expended	Gains & losses	Transfers	At 31 March 2023
	£	£	£	£	£	£
Unrestricted funds						
General funds (gross)	1,661,687	835,286	(1,036,316)	177,069	(25,669)	1,612,057
Pension liability	(177,069)	-	-	-	177,069	-
General funds (net)	1,484,618	835,286	(1,036,316)	177,069	151,400	1,612,057
Revaluation reserve	201,585	-	-	(16,004)	-	185,581
Total unrestricted funds	1,686,203	835,286	(1,036,316)	161,065	151,400	1,797,638
Restricted funds						
Children-in-need grant	5,197	-	-	-	-	5,197
RBG Perinatal grant	21,970	-	-	-	-	21,970
Notional rent - QCC	-	39,000	(39,000)	-	-	-
Notional rent - MBN	-	43,000	(43,000)	-	-	-
RBG Food Pantry fund	-	10,200	-	-	-	10,200
RBG Warm Spaces grant	-	2,518	(1,486)	-	-	1,032
RBG Community fund grant	-	6,759	(590)	-	-	6,169
Hardship grant	2,942	-	(1,676)	-	-	1,266
RBG West area SWG	717,545	1,311,817	(879,508)	(7,284)	(151,400)	991,170
Total restricted funds	747,654	1,413,294	(965,260)	(7,284)	(151,400)	1,037,004
Total funds	2,433,857	2,248,580	(2,001,576)	153,781	-	2,834,642

16. Reserves (continued)

Unrestricted funds - The revaluation reserve relates to investments.

Restricted funds
Children-in-Need – Funding received from BBC Children-in-need for a project entitled "Think aloud – Document your Pandemic".

RBG Perinatal Services – Funding received from Royal Borough of Greenwich for Perinatal Services.

Notional Rent QCC and MBN represents estimates of the rent that would be payable for the premises from which Quaggy Children's Centre and Margaret Bondfield Nurseries operate if they were not provided rent-free by the Royal Borough of Greenwich. The estimates are included as donations in note 3 and expenditure in note 9.

RBG Food Pantry Fund relates to a grant received from Royal Borough of Greenwich for the establishment of a Food Pantry Scheme.

RBG Warm Spaces Grant relates to a grant received from Royal Borough of Greenwich for the establishment of Warm Spaces during early 2023.

RBG Community Fund Grant relates to a grant received from the Royal Borough of Greenwich's Small Community Fund to help those in need with paying energy bills.

Hardship Grant relates to funds received to provide financial support to families suffering hardship.

RBG West area SWG relates to the "Start Well Greenwich" Contract to deliver Children's Centre and Health Visitor Services in the Greenwich West area for a period of five years from 1 April 2020. Since 1 April 2022, the contract has no longer included Health Visitor Services.

17. Pension commitments – group and charity

During the year, the charity employed two (2022: three) members of staff who belonged to the Local Government Pension Scheme (LGPS), a defined benefit pension scheme managed by a local authority.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation related to the year ended 31 March 2023. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Local Government Pension Scheme (LGPS)

The charity is one of the several employing bodies included within the Local Government Pension Scheme.

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total employer's contribution for the year ended 31 March 2023 was £13,122 (2022: £14,538) representing a contribution rate of 18.6%.

Principal Activity Assumptions	**2023**	**2022**
	%	%
Rate of increase in salaries	3.90	4.05
Rate of increase in pensions	2.90	3.05
Discounted rate for liabilities	4.80	2.55
Inflation rate	10.10	2.80

The return on the Fund is estimated to be -2.64%

17. Pension commitments – group and charity (continued)

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2023	2022
Retiring today		
Males	19.6	20.5
Females	23.0	23.4
Retiring in 20 years		
Males	21.0	22.0
Females	24.5	25.0

Analysis of amounts recognised in the Statement of Financial Activities

	2023 £	2022 £
Current service cost	31,478	41,723
Net interest on defined benefit liability	4,349	3,769
Administration expenses	110	109
Total expenditure to be recognised in the SOFA	35,937	45,601
Value of scheme assets and liabilities		
Equities	84,145	99,049
Bonds	36,085	30,017
Property	15,847	18,908
Cash	2,723	4,344
Unutilised insurance policies	-	-
UK & Overseas unit trusts	19,812	21,332
Market value of assets	158,612	173,650
Present value of scheme liabilities – funded	(165,896)	(350,719)
Net pension deficit in scheme	(7,284)	(177,069)

The expected return on assets, other than bonds, is calculated using an economic scenario generator that uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variable. Expected returns on bond assets are derived from the yields applicable to the accounting date on suitable bond indices.

17. Pension commitments – group and charity (continued)

Analysis of amount chargeable to the Statement of Financial Activities (SOFA)

	2023 £	2022 £
Return of fund assets in excess of interest	(9,496)	7,710
Other actuarial gains/(losses) on assets	(28,846)	-
Change in financial assumptions	206,764	32,570
Change in demographic assumptions	16,215	5,832
Experience (loss)/gain on defined benefit obligation	7,963	(1,039)
Actuarial losses on scheme liabilities	-	-
Remeasurement of the net assets/(defined liability)	192,600	45,073
Movements in present value of defined benefit obligations:		
Liabilities at 1 April 2022	350,719	333,449
Current service cost	31,478	41,723
Contributions from scheme members	5,626	6,013
Change in financial assumptions	(206,764)	(32,570)
Change in demographic assumptions	(16,215)	(5,832)
Liabilities assumed on settlements	-	-
Experience gain on defined benefit obligation	(7,963)	1,039
Past service cost	-	-
Interest cost	9,015	6,897
At 31 March 2023	165,896	350,719
Movements in the fair value of Fund assets		
Fair value of assets at 1 April 2022	173,650	142,370
Interest on assets	4,666	3,128
Return on assets less interest	(9,496)	7,710
Actuarial loss	(28,846)	-
Administration expenses	(110)	(109)
Settlement prices received / (paid)	-	-
Contributions by employer	13,122	14,538
Contributions by scheme members	5,626	6,013
Fair value of assets at 31 March 2023	158,612	173,650

18. Other financial commitments

At the year end the Charity had annual commitments under non-cancellable operating lease in relation to the Nursery at Parkside Square, Lewisham, SE10 8FN as set out below:

	2023 £	2022 £
Falling due within one year	28,000	28,000
Falling due between two and five years	112,000	112,000
Falling due in more than five years	70,000	98,000
	210,000	238,000

All operating lease payments are charged to the SOFA as they fall due.

19. Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
2023			
Fixed assets	1,935,884	-	1,935,884
Cash at bank and in hand	(22,829)	1,156,287	1,133,458
Other net current liabilities	(115,417)	(111,999)	(227,416)
Pension scheme provision	-	(7,284)	(7,284)
	1,797,638	1,037,004	2,834,642
2022			
Fixed assets	1,186,748	-	1,186,748
Cash at bank and in hand	959,141	747,960	1,707,101
Other net current liabilities	(282,923)	-	(282,923)
Pension scheme provision	(177,069)	-	(177,069)
	1,685,897	747,960	2,433,857

20. Related parties

During the year and the comparative year no Trustees were reimbursed any expenses. Vouchers amounting to £730 were given to S McKee by way of a payment for administrative services provided to the charity.

At 31 March 2023, the charity was owed £143,550 (2022: £109,605) by its subsidiary, Quaggy Café at Parkside Limited. During the year ended 31st March 2023, the charity made a provision of £113,550 against this balance leaving a recoverable balance of £30,000.

During the year, the charity received income amounting to £6,921 (2022: £321) from The Wash House Youth Project, a charity of which S C Riley, a Trustee, is also a Trustee.

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2023 £	2022 £
Net movement in funds	400,785	209,220
Depreciation charge	34,860	45,135
Losses on investments	16,004	-
Dividends, interest and rents from investments	(54,546)	(35,475)
Decrease in defined benefit pension liability	(169,785)	(14,010)
Decrease in stocks	188	-
(Increase)/decrease in debtors	(6,598)	19,550
(Decrease) in creditors	(46,158)	(73,038)
Net cash provided by operating activities	174,750	151,382

22. Post Balance Sheet Events

In May 2023 the Charity announced the closure of Quaggy Nursery at Parkside with effect from the end of the Summer Term 2023. It is the Trustees' intention that Charity will continue to use the premises to deliver some of its other activities.

QUAGGY DEVELOPMENT TRUST

England & Wales - Charity number 1109711

Accounts

Company number: 4749158

Charity Number: 1109711

QUAGGY DEVELOPMENT TRUST
(A Charitable Company Limited by Guarantee)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2022

QUAGGY DEVELOPMENT TRUST
Improving the lives of
local children and families

QUAGGY DEVELOPMENT TRUST

CONTENTS

	Page
Legal & administrative information	1
Report of the Trustees	2 – 7
Independent Auditor's report	8 – 10
Accounts comprising:	
Consolidated Statement of financial activities	11
Consolidated Balance sheet	12
Consolidated Statement of cashflows	13
Notes to the accounts	14 – 27

QUAGGY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2022

Trustees	Susan McKee (Chair) Naomi Delap Simon Riley (Treasurer and Vice-Chair) Natalie Meguerditchian Beatrice Panduru
Key Management	Dawn Jacovou (Chief Executive) Joanna Lawrence (Deputy Executive)
Registered office	Quaggy Childrens Centre Orchard Hill London SE13 7QZ
Company Secretary	Timothy Rogerson FCA
Bankers	National Westminster Bank Plc 143 High Street Bromley BR1 1JH
Auditor	Simpson Wreford LLP Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS
Company number	04749158
Charity number	1109711

The trustees (who are also the directors of the charitable company for the purposes of company law) are pleased to present their report together with the consolidated financial statements of the Charity for the year ended 31 March 2022 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The information shown on page 1 forms part of this report.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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)".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Quaggy Development Trust (QDT) is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 30 April 2003 (company number 4749158). Revised Articles of Association were adopted on 1 December 2021. The Charity was registered as a charity with the Charity Commission on 26 May 2005. Since 1 December 2021 the only members of the company have been its Trustees. Members have agreed to contribute £1 in the event of the charity being wound up.

The principal operating address is Quaggy Childrens Centre, Orchard Hill, London SE13 7QZ.

Charity governance

The Charity is governed by its board comprising Trustees and Key Management. This combined board is responsible for the Charity's operations. Where a vote is required, only those on the Board who are Trustees have the power to register a vote.

The Board Members of the charitable company throughout the year and to the date of signing of this report, except where indicated, are as follows:

Trustees
Susan McKee (Chair)
Naomi Delap
Simon Riley (Treasurer and Vice-Chair)
Natalie Meguerditchian
Emma Brady (until 1 April 2022)
Beatrice Panduru (from 24 May 2022)

Key management
Dawn Jacovou (Chief Executive)
Joanna Lawrence (Deputy Chief Executive)

Appointment of Trustees

As set out in the Articles of Association, new Trustees are appointed by a decision of the existing Trustees. The minimum number of Trustees is three and the maximum is twelve. Trustees serve for a term of three years and may serve a maximum of three consecutive terms before taking a break of at least one year unless the Trustees decide that there are exceptional circumstances which mean that it would not be in the best interest of the Charity for the Trustee to take a break from office. The Trustees may appoint a Chair, Vice-Chair and Treasurer from among their number.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees' Induction and Training

New Trustees and Key Management undergo an orientation meeting to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Committee and decision-making processes, business plans and recent financial performance of the Charity. During the induction process, they meet key employees and other Trustees and are given a Trustees' information pack containing comprehensive guidance notes relating to their role. Internal training sessions are held for Trustees on an annual basis after their initial induction and Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees delegates day to day management of the charity to the Chief Executive, Dawn Jacovou, and her team. The Board usually meets once every two months and has appointed Human Resources and Finance sub-committees, which meet as required. The devolved responsibilities of these sub-committees are set out in their governing terms of reference.

Related Parties

The charity owns 100% of the share capital in Quaggy Café at Parkside Limited, a trading company. The trading company's accounts have been consolidated into these accounts.

Apart from the subsidiary the only other known related parties are the Trustees and Key Management.

The charity maintains a close working relationship with the Royal Borough of Greenwich and the London Borough of Lewisham.

Risk Management

A comprehensive risk assessment review, in line with Charity Commission guidance, was undertaken by the senior leadership team and Trustees in the first quarter of 2020. The areas of risk considered were governance, external, regulatory and compliance, financial and operational. The Trustees support the need for risks to be kept under regular review. The Risk Register is reviewed at least annually and more regularly if appropriate.

The following general principles underpin the risk management processes:

- Evaluation of risk forms part of strategic and business planning, and investment and project appraisal;
- Risk management ensures that the application of internal controls is proportionate to the risk the controls are designed to manage;
- Managers and staff at all levels have a responsibility to identify, evaluate and manage or report risks;
- Ownership of risk is allocated to individuals best placed to manage the risk – i.e. they have the authority and necessary resources to manage the risk;
- QDT fosters a culture which spreads best practice, lessons learned and expertise acquired from risk management activities across the Trust.

OBJECTIVES AND ACTIVITIES

Since 1 December 2021, the objects of the Charity have been the promotion for the public benefit of urban regeneration in areas of social and economic deprivation (and in particular the area of benefit) by all or any of the following means:

- The advancement of education, training and retraining, particularly among unemployed people, and providing employed people with work experience;
- The relief of poverty in such ways as may be thought fit;
- The development of the capacity and skills of members of the area of benefit in such a way that they are better able to identify and help meet their needs, and to participate more fully in society;
- The relief of unemployment in such ways as may be thought fit;
- The provision of public health facilities and childcare;
- The provision of public safety and the prevention of crime;
- The provision of recreational facilities for the public at large and/or those who by reasons of their youth, age, infirmity or disability, poverty or social and economic circumstances have need of such facilities.

The area of benefit is the West Ward of the Royal Borough of Greenwich, and the immediate surrounding area.

The Trustees have considered the Charity Commission's general guidance on public benefit when reviewing the aims and objectives. During the year the Charity's activities were principally focused on:

- Continuing the consolidation of our work providing, supporting and developing community services on the Coldbath and Orchard Estate and surrounding areas;
- Maintaining the development of the long-term strategic plan in order to identify and embrace new and existing ways in which our work will benefit the local area;
- Implementing the proposals made in the successful bid for the Start Well Greenwich contract, which commenced on 1st April 2020 and maintaining our close relationship with the Royal Borough of Greenwich Council.

FINANCIAL REVIEW

The Statement of Financial Activities shows a surplus for the year of £209,220 (2021: £92,225) with the principal funding sources of the Charity being the contract for the provision of Children's Centres, Nursery income, Crèche and Counselling services.

The Balance Sheet at the year-end shows total funds of £2,433,857 (2021: £2,224,637) of which £747,654 (2021: £345,286) is restricted.

The Trustees acknowledge the following funders during the year:

- Children-in-need - £44,173;
- Royal Borough of Greenwich (Start Well Greenwich West Area) - £2,236,219;
- Lewisham Council (Additional Restrictions Grant) - £20,000.

In November 2019 the Royal Borough of Greenwich awarded Quaggy Development Trust the Contract for Start Well Greenwich (West). This is a 5-year contract which commenced in April 2020, with an option for a further 4 years running to March 2029.

ACHIEVEMENTS AND PERFORMANCE 2021-2022

At the start of the year, the effects of the national lockdowns due to the Covid-19 pandemic were still being felt with virtually no in-person Children's Centre work being possible. The focus in the year 2021-22 was to increase activities as steadily and safely as possible.

Since its formation the Charity had made use of the Holy Trinity Centre on Orchard Hill, but as the condition of the building had worsened in recent years, the decision was made to stop organising events in that space and the activities were relocated to other premises, including space at the Parkside Community Centre.

The Trustees also reviewed the Charity's Articles of Association and, following an Extraordinary General Meeting adopted a revised document, which more closely informs the activities of the Trust than did the previous one, which dated from the formation of the Charitable Company.

Early Years and Nurseries

The Trust's three nurseries continued to operate, although, as widely reported in the national and local press, the number of children attending was much lower than before the pandemic. A new initiative during the year was developing an ECO-strategy for the Trust, which included input from some of the children who attend the nurseries.

Start Well Greenwich Children's Centres

On 1st April 2020, the Start Well Greenwich contract commenced, giving Quaggy Development Trust responsibility for managing six Children's Centres in the Greenwich West area. Unlike the previous Children Centre contracts, this contract included the provision of a Health Visiting Service, but, because of the pandemic, the decision was made to subcontract the Health Visiting Service to Oxleas NHS Foundation Trust (the previous provider) for the first year of the contract.

On 1st April 2021, the Health Visiting Service (and the staff associated with it) was transferred to Start Well Trust, a joint venture between the three organisations which manage Children's Centres in the Royal Borough of Greenwich. Unfortunately, for various reasons this arrangement did not prove to be successful and on 7th June 2021, the service (and the staff) was transferred to Bromley Healthcare, although the Trust continued to receive funding for the service and forwarded this to Start Well Trust, which, in turn, forwarded it to the new provider.

As Covid restrictions eased, in-person activities at the Trust's Children's Centres resumed. Initially these were with strictly controlled numbers for which pre-booking was required, but by the end of the year it was possible to offer most of them without the need for pre-booking, as was the case before the pandemic.

The Children's Centre team continued to offer Early Help support to families and was able to offer a placement to a Student Social worker during the year.

Volunteers

We thank those of our volunteers who were able to continue their voluntary work with us during the year. This included giving Breastfeeding one to one support and supporting the Older People's Lunch Club and Youth Club. Although the Trust had committed group of volunteers before the pandemic, a conscious decision was made, following Risk Assessment (and seemingly continuously changing government guidelines), to keep the number of people on site to a minimum and so the number of volunteers was significantly affected by the pandemic. The Volunteering Programme is again slowly growing, adding value to our services and enabling us to help develop people from the local community.

ACHIEVEMENTS AND PERFORMANCE 2021-2022 (continued)

Lunch Club and Youth Club

The older persons' lunch club, which had moved to a home-delivery model during the various stages of lockdown in 2020/21, started to meet in person towards the end of 2021, with a Christmas dinner being offered in December 2021. The Youth Club also resumed in September 2021 for the first time since March 2020.

Counselling Service

At the start of the year, the Counselling Service was operating mainly by providing on-line counselling, but as Covid-restrictions were lifted, this returned to an entirely in person service.

FUTURE PLANS AND OBJECTIVES FOR 2022-2023

The focus for the current year is to improve the financial performance of the Nurseries and to deliver more of the Services planned within the Start Well Greenwich contract than has been possible in the last two years. The Trustees also plan to support the expansion of the Counselling Service.

Since April 2022, the Trust has run the Quaggy Carnival (the first since 2019) and has invested some of its cash in mixed security ethical charity investment funds to provide additional income to support some of its community activities.

INVESTMENT POLICY

The Charity owns two investment properties in the local area. It is the Charity's policy to maintain these investments for the foreseeable future in order to provide regular income and capital appreciation. The Trustees continue to monitor the local housing market to ensure that they are fully informed and can make appropriate decisions on the investments.

RESERVES POLICY

After consideration of funding and contingency requirements of the Charity, the Trustees believe that free reserves (as defined by the Charity Commission) equivalent to approximately six months of expenditure should be maintained, which they estimate as being now (following the changes in the contract with the Royal Borough of Greenwich) approximately £1,000,000. At 31 March 2022, free reserves amounted to £499,149 and so were some way below the target.

TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period.

TRUSTEES' RESPONSIBILITIES (continued)

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

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

The trustees are responsible for keeping proper 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 the group 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 to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

AUDITORS

Simpson Wreford LLP have expressed their willingness to continue as auditors and their reappointment will be proposed at the Annual General Meeting.

The above report has been prepared in accordance with the special provisions of Section 419(2) of the Companies Act 2006 relating to small companies.

Approved by the Board of Trustees on 29th November 2022 and signed on its behalf by:

S.J. McKee

S McKee (Chair)

Opinion

We have audited the financial statements of Quaggy Development Trust (the 'Charity') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cash Flow Statement and the related 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 Charity'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;
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Charity'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 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and 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 the strategic report and the directors' report) have 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which 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;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the trustees
As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Our 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. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of membership organisations and support services sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, data protection and OFSTED regulations

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Audit response to risks identified
We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with OFSTED.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report
This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's 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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

MB

Michael Broder BSc FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wreford LLP, Statutory Auditor
Wellesley House, Duke of Wellington Avenue, Royal Arsenal, London SE18 6SS

Dated: 21/12/2022

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

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2022
(including consolidated income and expenditure account)

	Notes	2022 Unrestricted funds £	2022 Restricted funds £	2022 Total funds £	2021 Total funds £
Income					
Donations and legacies	3	996	52,000	52,996	47,098
Charitable activities	4	682,323	2,305,393	2,987,716	3,170,194
Investment income	5	35,475	-	35,475	21,661
Other trading activities	6	28,848	-	28,848	24,966
Other income		4,846	-	4,846	2,046
Total income		752,488	2,357,393	3,109,881	3,265,965
Expenditure					
Raising funds	8	41,445	-	41,445	39,101
Charitable activities	9	918,201	1,955,025	2,873,226	3,033,549
Total expenditure		959,646	1,955,025	2,914,671	3,072,650
Net (expenditure)/income before Other recognised gains and losses		(207,158)	402,368	195,210	193,315
Other recognised gains and losses					
Gains on investment assets		-	-	-	-
Actuarial gains/(losses) on Defined benefit pension scheme	17	14,010	-	14,010	(101,090)
Net movement in funds		(193,148)	402,368	209,220	92,225
Reconciliation of funds					
Total funds brought forward		1,879,351	345,286	2,224,637	2,132,412
Total funds carried forward	16	1,686,203	747,654	2,433,857	2,224,637

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing activities.

The notes on pages 14 to 27 form part of these financial statements.

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2022

	Notes	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Fixed assets					
Tangible assets	11	213,610	256,612	213,610	256,423
Investments	12	973,138	966,038	973,139	966,039
		1,186,748	1,222,650	1,186,749	1,222,462
Current assets					
Stock	13	188	188	-	-
Debtors	14	27,205	46,755	136,201	122,215
Cash at bank and in hand		1,707,101	1,529,477	1,682,852	1,525,637
		1,734,494	1,576,420	1,819,053	1,647,852
Creditors: amounts falling due within one year	15	(310,316)	(383,354)	(306,883)	(379,203)
Net current assets		1,424,178	1,193,066	1,512,170	1,268,649
Total assets less current liabilities		2,610,926	2,415,716	2,698,919	2,491,111
Defined benefit pension scheme	17	(177,069)	(191,079)	(177,069)	(191,079)
Total assets less liabilities		2,433,857	2,224,637	2,521,850	2,300,032
Funds					
Unrestricted general funds		1,484,618	1,677,766	1,572,487	1,753,161
Unrestricted revaluation reserve		201,585	201,585	201,585	201,585
Restricted funds		747,654	345,286	747,778	345,286
Total funds	16	2,433,857	2,224,637	2,521,850	2,300,032

The directors have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2022, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

The financial statements on pages 11 to 27 were approved by the Trustees on 29th November 2022 and are signed on their behalf by:

.....

S C Riley (Treasurer and Vice-Chair)
Trustee

Company number: 04749158 (England and Wales). Charity number: 1109711.

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2022

	Notes	2022 £	2021 £
Cash generated by operating activities	21	186,770	446,838
Cash flows from investing activities			
Interest income		87	1,663
Purchase of investment property		(7,100)	(491,038)
Purchase of tangible fixed assets		(2,133)	(15,266)
Cash used in investing activities		(9,146)	(504,641)
Increase/(decrease) in cash and cash equivalents in the year		177,624	(57,803)
Cash and cash equivalents at the beginning of the year		1,529,477	1,587,280
Total cash and cash equivalents at the end of the year		1,707,101	1,529,477

1. Principal accounting policies

Company information
Quaggy Development Trust is a Charitable Company Limited by Guarantee incorporated in England and Wales, registration number 04749158. The registered office is Quaggy Childrens Centre, Orchard Hill, London, SE13 7QZ.

Basis of accounting
The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)" - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Quaggy Development Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value or amortised cost. The principal accounting policies adopted are set out below.

Group financial statements
The financial statements consolidate the results of the charity and its wholly owned subsidiary, Quaggy Café At Parkside Limited, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income
Income is recognised dependent on the nature of the income receivable:

- Nursery and crèche fees are accounted for on an accrual basis. Any fees received in advance are deferred and included in the Statement of Financial Activities in the year the fees relate to.
- Donations are recognised when the charity is legally entitled to the income.
- Grants receivable are accounted for on an accrual basis and are accounted for in charitable activities and recognised in the restricted funds to which they relate.
- Other trading activities relate to income derived from the subsidiary company and are recognised at fair value upon transfer of goods or at the time of a service being provided.
- Other income, including bank interest, is accounted for on an accrual basis once the income becomes receivable and that amount can be measured reliably by the charity.
- Donated services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1. Principal Accounting Policies (continued)

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading and includes wage costs of employees' time spent and their associated support costs.
- Expenditure on charitable activities includes the costs of running community projects and the children's services, undertaken to further the purposes of the charity and their associated support costs.

Grants payable are accounted for on an accrual basis and are accounted for in charitable activities and recognised in the restricted funds to which they relate if applicable. Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grant.

Allocation of support costs
Support costs which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities. The apportionment is defined as either direct or indirect.

Investment property
Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Fair value is determined by the Trustees using freely available information from internet sites such as Rightmove and Zoopla. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

Tangible fixed assets
Individual fixed assets with a cost of more than £800 are capitalised at cost and depreciated over their expected useful life, as follows:

Plant and machinery, consisting of:	
• Kitchen equipment	20% straight line
• Toys and play equipment	25% straight line
Office equipment, consisting of:	
• Office equipment	15% straight line
• Computers	25% straight line
Leasehold improvements	15 years straight line
Quaggy Café at Parkside Limited	
• Kitchen equipment	25% reducing balance

Stock
Stocks are valued at the lower of cost and net realisable value.

Debtors
Trade and other debtors are recognised at the settlement amount due after trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1. Principal Accounting Policies (continued)

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

Operating lease commitments
Rentals paid under operating leases are charged on a straight-line basis over the lease term.

Going concern
At the time of approving the financial statements, the trustees have a reasonable expectation that the charity 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.

Pensions
Retirement benefits to one of the employees of the charity are provided by the Local Government Pension Scheme ('LGPS'). This is a defined benefit scheme, the assets of which are held separately from those of the charity.

The LGPS is a funded scheme and the assets are held separately from those of the charity in separate trustee administered funds. Pension scheme assets are measured at fair value and the liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance cost or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

The Charity also operates a defined contribution pension scheme. The assets of this scheme are also held separately from those of the Charity in an independently administered fund. Contributions are charged to the Statement of Financial Activities as they become payable. Pension contributions are allocated between restricted and un-restricted funds are allocated based on the time spent by staff.

Financial instruments
The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Legal status of the Trust
The Trust 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. Principal Accounting Policies (continued)

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

Restricted funds are funds made to the charity which are to be used in accordance with specific restrictions imposed by donors. The cost of raising and administering such funds are charged against the specific fund. The aim and use of material restricted funds is set out in note 16 to the financial statements.

Designated funds are unrestricted funds which have been designated by the Trustees for a specific purpose.

2. Financial performance of the Charity

The consolidated statement of financial activity includes the results of the Charity's wholly owned subsidiary, Quaggy Café at Parkside Limited. The summary financial performance of the Charity alone is:

	2022 £	2021 £
Income	3,081,033	3,240,999
Expenditure	(2,873,225)	(3,033,549)
	207,808	207,450
Gains/(losses) on investment assets	-	-
Actuarial gains/(losses) on defined benefit pension scheme	14,010	(101,090)
Net income	221,818	106,360
Funds brought forward	2,300,032	2,193,672
Total funds carried forward	2,521,850	2,300,032
Represented by:		
Restricted funds	747,778	345,286
Unrestricted funds	1,774,072	1,954,746
	2,521,850	2,300,032

3. Donations income

	2022 £	2021 £
Notional rent - restricted	47,000	47,000
Other donations - restricted	5,000	-
Total restricted	52,000	47,000
Other donations - unrestricted	996	98
Total donations	52,996	47,098

The local council provides the buildings, from which the Quaggy Children's Centre and Nursery and Margaret Bondfield Nursery are run, free of charge. Notional rent is an estimated contribution of the cost to the Charity if the facilities were to be provided by third party.

4. Charitable activities income

	Unrestricted Funds 2022 £	Restricted Funds 2022 £	Total 2022 £	Total 2021 £
Nursery and crèche fees	654,946	-	654,946	837,068
Start Well Greenwich West contract	-	2,236,219	2,236,219	2,162,641
Other grant income	-	69,174	69,174	117,415
Catering income	522	-	522	182
Other community work income	26,855	-	26,855	52,888
	682,323	2,305,393	2,987,716	3,170,194

Comparative information regarding funds is shown in note 22.

5. Investment income

	2022 £	2021 £
Rental income	35,388	19,998
Bank interest	87	1,663
	35,475	21,661

All amounts relate to unrestricted funds.

6. Commercial trading operations

The wholly owned subsidiary Quaggy Café at Parkside Limited is incorporated in the United Kingdom (company number 10642622). The subsidiary company operates a local community café located near to Quaggy Childrens Centre. The summary financial performance of the subsidiary alone is:

	2022 £	2021 £
Turnover and other operating income	28,848	24,966
Cost of sales and administrative expenses	(41,445)	(39,101)
Net loss retained in subsidiary	(12,597)	(14,135)
The assets and liabilities of the subsidiary were:		
Fixed assets	-	189
Current assets	25,046	4,028
Current liabilities	(113,038)	(79,611)
Total net liabilities	(87,991)	(75,394)
Aggregate share capital and reserves	(87,991)	(75,394)

7. Operating profit

	2022 £	2021 £
This is stated after charging:		
Depreciation of owned fixed assets	45,135	38,085
Auditor's remuneration		
- Audit of the financial statements	7,500	5,500
- Other services	807	1,748

8. Raising funds expenditure

	2022 £	2021 £
Commercial trading operations – note 6	41,445	39,101
Fundraising expenditure	-	-
	41,445	39,101

9. Charitable activities expenditure

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Staff costs including expenses	764,540	558,813	1,323,353	1,439,525
Subcontract costs	-	1,064,463	1,064,463	1,058,311
Premises, utilities and equipment	31,656	148,931	180,587	244,120
Community activities	13,274	110,265	123,539	82,714
Nursery and crèche	29,605	5,431	35,036	23,855
Office, computers and communications	18,461	45,022	63,483	77,752
Legal and professional	994	9,668	10,662	40,189
Depreciation	44,946	-	44,946	37,545
Sundry expenses	8,087	8,361	16,448	17,948
Audit and accountancy fees	6,638	4,071	10,709	11,590
	918,201	1,955,025	2,873,226	3,033,549

Comparative information regarding funds is shown in note 22.

10. Staff costs and numbers

No remuneration was paid to any of the Trustees in the year and none of the Trustees were reimbursed any expenses in the year.

Staff wage costs were as follows:

	2022 £	2021 £
Salaries and wages	1,067,260	1,107,759
Key management remuneration	144,164	141,896
Social security costs	97,967	107,361
Defined contribution pension costs	19,428	21,655
Pension service cost	14,538	25,516
	1,343,357	1,404,187

One employee, who is included above within key management, received emoluments of between £90,001 and £100,000 both in the current year and the comparative year. No other employee received emoluments of more than £60,000 in either year.

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

	2022 No.	2021 No.
Nursery and Children Centre staff	38	41
Management and administration	12	14
Other support services	2	4
Quaggy Café at Parkside	2	2
	54	61

11. Tangible fixed assets - *Group*

	Leasehold improvements £	Office equipment £	Plant & machinery £	Kitchen equipment £	Total £
Cost or valuation					
At 1 April 2021	302,355	155,092	78,381	1,728	537,556
Additions	-	2,133	-	-	2,133
Disposals	-	-	-	-	-
At 31 March 2022	302,355	157,225	78,381	1,728	539,689
Depreciation					
At 1 April 2021	80,628	120,396	78,381	1,539	280,944
Charge for the year	29,674	15,272	-	189	45,135
At 31 March 2022	110,302	135,668	78,381	1,728	326,079
Net book value					
At 31 March 2022	192,053	21,557	-	-	213,610
At 31 March 2021	221,727	34,696	-	189	256,612

11. Tangible fixed assets - *Charity*

	Leasehold improvements £	Office equipment £	Plant & machinery £	Total £
Cost or valuation				
At 1 April 2021	302,355	155,092	78,381	535,828
Additions	-	2,133	-	2,133
Disposals	-	-	-	-
At 31 March 2022	302,355	157,225	78,381	537,961
Depreciation				
At 1 April 2021	80,628	120,396	78,381	279,405
Charge for the year	29,674	15,272	-	44,946
At 31 March 2022	110,302	135,668	78,381	324,351
Net book value				
At 31 March 2022	192,053	21,557	-	213,610
At 31 March 2021	221,727	34,696	-	256,423

12. Investments - *Group*

	Investment properties £	Total £
Valuation		
At 1 April 2021	966,038	966,038
Additions	7,100	7,100
At 31 March 2022	973,138	973,138

Charity

	Investments £	Investment properties £	Total £
Valuation			
At 1 April 2021	1	966,038	966,039
Additions	-	7,100	7,100
At 31 March 2022	1	973,138	973,139

The investment in subsidiary relates to the entire ordinary share capital of Quaggy Café at Parkside Limited and the details of this company are provided in note 6 to these financial statements.

13. Stock

	Group		Charity	
	2022 £	2021 £	2022 £	2021 £
Food	188	188	-	-

14. Debtors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	1,354	18,058	745	18,058
Other debtors	12,351	14,811	12,351	14,811
Amounts owed by group undertakings	-	-	109,605	75,460
Prepayments and accrued income	13,500	13,886	13,500	13,886
	27,205	46,755	136,201	122,215

15. Creditors

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	24,309	51,089	24,309	50,922
Accruals and deferred income	245,084	291,258	241,651	287,274
Other creditors	40,923	41,007	40,923	41,007
	310,316	383,354	306,883	379,203

16. Reserves

	At 1 April 2021	Incoming resources	Resources expended	Gains & losses	Transfers	At 31 March 2022
	£	£	£	£	£	£
Unrestricted funds						
General funds (gross)	1,868,845	752,488	(959,646)	14,010	(14,010)	1,661,687
Pension liability	(191,079)	-	-	-	14,010	(177,069)
General funds (net)	1,677,766	752,488	(959,646)	14,010	-	1,484,618
Revaluation reserve	201,585	-	-	-	-	201,585
Total unrestricted funds	1,879,351	752,488	(959,646)	14,010	-	1,686,203
Restricted funds						
Children-in-need	8,555	44,173	(47,531)	-	-	5,197
RBG Perinatal grant	26,547	-	(4,577)	-	-	21,970
Notional rent - QCC	-	22,250	(22,250)	-	-	-
Notional rent - MBN	-	24,750	(24,750)	-	-	-
Lewisham Council grants	-	20,000	(20,000)	-	-	-
RBG Council grant	-	5,000	(5,000)	-	-	-
Hardship Grant	-	5,000	(2,058)	-	-	2,942
RBG West area SWG	310,184	2,236,220	(1,828,859)	-	-	717,545
Total restricted funds	345,286	2,357,393	(1,955,025)	-	-	747,654
Total funds	2,224,637	3,109,881	(2,914,671)	14,010	-	2,433,857

Unrestricted funds

The revaluation reserve relates to the investment properties.

The Pension Liability matches the defined benefit pension scheme deficit detailed in note 17.

16. Reserves (continued)

Restricted funds
Children-in-Need – Funding received from BBC Children-in-need for a project entitled "Think aloud – Document your Pandemic".

RBG Perinatal Services – Funding received from Royal Borough of Greenwich for Perinatal Services.

Notional Rent QCC and MBN represents estimates of the rent that would be payable for the premises from which Quaggy Children's Centre and Margaret Bondfield Nurseries operate if they were not provided rent-free by the Royal Borough of Greenwich. The estimates are included as donations in note 3 and expenditure in note 9.

Amounts shown as Lewisham Council Grants were received from Lewisham Council to mitigate financial losses suffered because of the Covid-19 pandemic at the charity's nursery in the Borough of Lewisham.

The amount shown as RBG Council Grant was received from Greenwich Council to mitigate financial losses suffered because of the Covid-19 pandemic at the charity's nurseries in the Royal Borough of Greenwich.

Hardship Grant relates to funds received to provide financial support to families suffering hardship.

RBG West area SWG relates to the "Start Well Greenwich" Contract to deliver Children's Centre and Health Visitor Services in the Greenwich West area for a period of five years from 1 April 2020. Since 1 April 2022, the contract has no longer included Health Visitor Services.

17. Pension commitments – group and charity

During the year, the charity employed three (2021: three) members of staff who belonged to the Local Government Pension Scheme (LGPS), a defined benefit pension scheme managed by a local authority.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation related to the year ended 31 March 2022. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Local Government Pension Scheme (LGPS)

The charity is one of the several employing bodies included within the Local Government Pension Scheme.

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total employer's contribution for the year ended 31 March 2022 was £14,538 (2021: £16,185) representing a contribution rate of 18.6%.

Principal Activity Assumptions

	2022	2021
	%	%
Rate of increase in salaries	4.05	3.80
Rate of increase in pensions	3.05	2.80
Discounted rate for liabilities	2.55	2.05
Inflation rate	2.80	2.80

The return on the Fund is estimated to be 7%

17. Pension commitments – group and charity (continued)

Mortality assumptions

The assumed life expectations on retirement at age 65 are:

	2022	2021
Retiring today		
Males	20.5	20.9
Females	23.4	23.6
Retiring in 20 years		
Males	22.0	22.4
Females	25.0	25.2

Analysis of amounts recognised in the Statement of Financial Activities

	2022 £	2021 £
Current service cost	41,723	40,891
Net interest on defined benefit liability	3,769	1,664
Administration expenses	109	65
Total expenditure to be recognised in the SOFA	45,601	42,620

Value of scheme assets and liabilities

	2022 £	2021 £
Equities	99,049	13,174
Bonds	30,017	23,812
Property	18,908	12,615
Cash	4,344	1,774
Unutilised insurance policies	-	55,595
UK & Overseas unit trusts	21,332	35,400
Market value of assets	173,650	142,370
Present value of scheme liabilities – funded	(350,719)	(333,449)
Net pension deficit in scheme	(177,069)	(191,079)

The expected return on assets, other than bonds, is calculated using an economic scenario generator that uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variable. Expected returns on bond assets are derived from the yields applicable to the accounting date on suitable bond indices.

17. Pension commitments – group and charity (continued)

Analysis of amount chargeable to the Statement of Financial Activities (SOFA)

	2022 £	2021 £
Return of fund assets in excess of interest	7,710	22,879
Other actuarial gains/(losses) on assets	-	-
Change in financial assumptions	32,570	(123,969)
Change in demographic assumptions	5,832	-
Experience (loss)/gain on defined benefit obligation	(1,039)	-
Actuarial losses on scheme liabilities	-	-
Remeasurement of the net assets/(defined liability)	45,073	(101,090)

Movements in present value of defined benefit obligations:

	2022 £	2021 £
Liabilities at 1 April 2021	333,449	132,249
Current service cost	41,723	25,516
Contributions from scheme members	6,013	6,536
Change in financial assumptions	(32,570)	123,969
Change in demographic assumptions	(5,832)	-
Liabilities assumed on settlements	-	41,034
Experience gain on defined benefit obligation	1,039	-
Past service cost	-	-
Interest cost	6,897	4,145
At 31 March 2022	350,719	333,449

Movements in the fair value of Fund assets

	2022 £	2021 £
Fair value of assets at 1 April 2021	142,370	68,695
Interest on assets	3,128	2,481
Return on assets less interest	7,710	22,879
Actuarial loss	-	-
Administration expenses	(109)	(65)
Settlement prices received / (paid)	-	25,659
Contributions by employer	14,538	16,185
Contributions by scheme members	6,013	6,536
Fair value of assets at 31 March 2022	173,650	142,370

18. Other financial commitments

At the year end the Charity had annual commitments under non-cancellable operating lease in relation to the Nursery at Parkside Square, Lewisham, SE10 8FN as set out below:

	2022 £	2021 £
Falling due within one year	28,000	28,000
Falling due between two and five years	112,000	112,000
Falling due in more than five years	98,000	126,000
	238,000	266,000

All operating lease payments are charged to the SOFA as they fall due.

19. Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
2022			
Fixed assets	1,186,748	-	1,186,748
Cash at bank and in hand	959,141	747,960	1,707,101
Other net current liabilities	(282,923)	-	(282,923)
Pension scheme provision	(177,069)	-	(177,069)
	1,685,897	747,960	2,433,857
2021			
Fixed assets	1,222,650	-	1,222,650
Cash at bank and in hand	1,184,191	345,286	1,529,477
Other net current liabilities	(336,411)	-	(336,411)
Pension scheme provision	(191,079)	-	(191,079)
	1,879,351	345,286	2,224,637

20. Related parties

During the year and the comparative year no Trustees were reimbursed any expenses.

At 31 March 2022, the charity was owed £109,605 (2021: £75,460) by its subsidiary, Quaggy Café at Parkside Limited. No interest is charged on the balance, which is repayable on demand.

During the year, the charity received income amounting to £321 (2021: £500) from The Wash House Youth Project, a charity of which S C Riley, a Trustee, is also a Trustee.

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2022 £	2021 £
Net movement in funds	209,220	92,225
Depreciation charge	45,135	38,085
Interest shown as investment income in SOFA	(87)	(1,663)
(Decrease)/increase in defined benefit pension liability	(14,010)	127,525
Decrease/(increase) in debtors	19,550	605,693
(Decrease)/increase in creditors	(73,038)	(415,027)
Net cash generated by operating activities	186,770	446,838

22. Comparative information

	Unrestricted Funds £	Restricted Funds £	Total £
Analysis of Income from charitable activities by fund (note 4)			
Nursery and crèche fees	837,068	-	837,068
Greenwich West Children's Centre contract	-	2,162,641	2,162,641
Other grant income	69,381	48,034	117,415
Catering income	182	-	182
Other community work income	22,042	-	22,042
Other Children's Centre income	30,846	-	30,846
	959,519	2,210,675	3,170,194
Analysis of Expenditure on charitable activities by fund (note 9)			
Staff costs including expenses	862,086	577,439	1,439,525
Subcontract	-	1,058,311	1,058,311
Premises, utilities and equipment	122,050	122,070	244,120
Community activities	13,903	68,811	82,714
Nursery and crèche	23,169	686	23,855
Office, computers and communications	29,510	48,242	77,752
Legal and professional	-	40,189	40,189
Depreciation	37,545	-	37,545
Sundry expenses	12,449	5,499	17,948
Audit and accountancy fees	7,438	4,152	11,590
	1,108,150	1,925,399	3,033,549

QUAGGY DEVELOPMENT TRUST

England & Wales - Charity number 1109711

Accounts

Spare

Company number: 04749158

Charity Number: 1109711

QUAGGY DEVELOPMENT TRUST
(A Charitable Company Limited by Guarantee)

ANNUAL REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

QUAGGY DEVELOPMENT TRUST
Improving the lives of
local children and families

QUAGGY DEVELOPMENT TRUST

CONTENTS

	Page
Legal & administrative information	1
Report of the Trustees	2 – 9
Independent Auditor's report	10 – 12
Accounts comprising:	
Consolidated Statement of financial activities	13
Consolidated Balance sheet	14
Consolidated Statement of cashflows	15
Notes to the accounts	16 – 29

QUAGGY DEVELOPMENT TRUST

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

Trustees	Susan McKee (Chair) Naomi Delap Simon Riley (Treasurer and Vice-Chair) Natalie Meguerditchian Emma Brady
Key Management	Dawn Jacovou (Chief Executive) Joanna Lawrence (Deputy Executive)
Registered office	Quaggy Childrens Centre Orchard Hill London SE13 7QZ
Bankers	National Westminster Bank Plc 143 High Street Bromley BR1 1JH
Auditor	Simpson Wreford LLP Wellesley House Duke of Wellington Avenue Royal Arsenal London SE18 6SS
Company number	04749158
Charity number	1109711

The trustees (who are also the directors of the charitable company for the purposes of company law) are pleased to present their report together with the consolidated financial statements of the Charity for the year ended 31 March 2021 which are also prepared to meet the requirements for a directors' report and accounts for Companies Act purposes. The information shown on page 1 forms part of this report.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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)".

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing Document

Quaggy Development Trust (QDT) is a company limited by guarantee, governed by its Memorandum and Articles of Association dated 30 April 2003 (company number 04749158). It was registered as a charity with the Charity Commission on 26 May 2005 (charity number 1109711). Only persons living, working, or using the services in the defined area of benefit may become members of the company. The area of benefit is defined as Coldbath and Orchard Estate located in the west ward of the London Borough of Greenwich and the immediate surrounding area. Members have agreed to contribute £1 in the event of the charity being wound up.

The principal operating address is Quaggy Childrens Centre, Orchard Hill, London SE13 7QZ.

Charity governance

The Charity is governed by one board comprising Trustees and Key Management. This combined board is responsible for the Charity's operations. Where a vote is required, only those on the Board who are Trustees have the power to register a vote.

The Board Members of the charitable company throughout the year and to the date of signing of this report, except where indicated, are as follows:

Trustees
Susan McKee (Chair)
Naomi Delap
Simon Riley (Treasurer and Vice-Chair)
Kathryn Klaentschi - (resigned 15th August 2020)
Natalie Meguerditchian
Emma Brady

Key management
Dawn Jacovou (Chief Executive)
Joanna Lawrence (Deputy Chief Executive)

Appointment of Trustees

As set out in the Articles of Association, the Chair, Secretary and Treasurer are appointed at a meeting of the Trustees following the Annual General Meeting. There shall be a minimum of three and a maximum of twelve Trustees. A maximum of eight individual members will be elected as Trustees with the Trustees having the power to co-opt a maximum of four additional members to act as Trustee. The Trustees may fill any casual vacancy that occurs during the year. All Trustees, except co-opted Trustees, are to be re-elected into office each year. When considering co-opting Trustees, the Board has regard to the requirements of any specialist skills needed in pursuit of the Charity's aims and objectives.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Appointment of Key Management

The Trustees have the power to appoint Key Management to the board as they see fit, in order to improve the governance of the Charity. An appointed member to the Board does not necessarily have to also be appointed as a Trustee.

Trustees' Induction and Training

New Trustees and Key Management undergo an orientation meeting to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the Committee and decision-making processes, business plans and recent financial performance of the Charity. During the induction process, they meet key employees and other Trustees and are given a Trustees' information pack containing comprehensive guidance notes relating to their role. Internal training sessions are held for Trustees on an annual basis after their initial induction and Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

Organisation

The Board of Trustees administers the charity. The Board holds meetings every other month and more frequently when required. The Board may appoint a Trustee to the un-remunerated office of Managing Director. The Trustees may appoint a Secretary at such remuneration and upon such conditions as they think fit, but if that person is a Trustee, that position shall be un-remunerated. The Board has appointed Human Resources and Finance sub-committees and the devolved responsibilities of these sub-committees are set out in their governing terms of reference. On a day-to-day basis, the charity is under the immediate control of the Key Management, Dawn Jacovou, Chief Executive, and Joanna Lawrence, Deputy Chief Executive.

Related Parties

The charity owns 100% of the share capital in Quaggy Café at Parkside Limited, a trading company. The trading company's accounts have been consolidated in these accounts.

Apart from the subsidiary the only other known related parties are the Trustees and Key Management.

The charity maintains a close working relationship with the Royal Borough of Greenwich and the London Borough of Lewisham.

Risk Management

A comprehensive risk assessment review, in line with Charity Commission guidance, was undertaken by the senior leadership team and Trustees at the start of 2020 and completed by March 2020. The areas of risk considered were governance, external, regulatory and compliance, financial and operational. The Trustees support the need for risks to be kept under regular review. The Risk Register is reviewed at least annually and more regularly if appropriate.

The following general principles underpin the risk management processes:

- Evaluation of risk forms part of strategic and business planning, and investment and project appraisal;
- Risk management ensures that the application of internal controls is proportionate to the risk the controls are designed to manage;
- Managers and staff at all levels have a responsibility to identify, evaluate and manage or report risks;

Risk Management (continued)

- Ownership of risk is allocated to individuals best placed to manage the risk – i.e. they have the authority and necessary resources to manage the risk;
- QDT fosters a culture which spreads best practice, lessons learned and expertise acquired from risk management activities across the Trust.

OBJECTIVES AND ACTIVITIES

The objectives of the Charity are to further the charitable purpose for the benefit of the community, those that live and use services, in the defining area including:

- The advancement of education;
- The promotion of good citizenship;
- Promotion of any other charitable purpose which will increase the quality of life and develop the capacity and skills, alleviate poverty and deprivation of residents and community members;
- The elimination of unfair discrimination on any grounds;
- Other activities for the enhancement and benefit of the local area.

The defined area is the Coldbath and Orchard Estates, located in the West Ward of the London Borough of Greenwich, and the immediate surrounding area.

The Trustees have considered the Charity Commission's general guidance on public benefit when reviewing the aims and objectives. During the year the Charity's activities were principally focused on:

- Continuing the consolidation of our work providing, supporting and developing community services on the Coldbath and Orchard Estate and surrounding areas;
- Maintaining the development of the long-term strategic plan in order to identify and embrace new and existing ways in which our work will benefit the local area;
- Implementing the proposals made in the successful bid for the Start Well Greenwich contract, which commenced on 1st April 2020 and maintaining our close relationship with the Royal Borough of Greenwich Council.

FINANCIAL REVIEW

The Statement of Financial Activities shows a surplus for the year of £92,225 (2020: £274,022) with the principal funding sources of the Charity being a contract for the provision of Children's Centres, Nursery fees, Crèche and Counselling services.

The Balance Sheet at the year-end shows total funds of £2,224,637 (2020: £2,132,412) of which £345,286 (2020: £256,838) is restricted.

The Trustees acknowledge the following funders during the year:

- Children-in-need - £22,087;
- Royal Borough of Greenwich (Start Well Greenwich West) - £2,162,641;
- Royal Borough of Greenwich (Perinatal Mental Health Service) - £13,957;
- Lewisham Council (Additional Restrictions Grant) - £2,000
- London Community Foundation - £9,990.

FINANCIAL REVIEW (continued)

In November 2019 the Royal Borough of Greenwich awarded Quaggy Development Trust the Contract for Start Well Greenwich (West). This is a 5-year contract which commenced in April 2020, with an option for a further 4 years running to March 2029.

ACHIEVEMENTS AND PERFORMANCE 2020-2021

Due to the Covid-19 pandemic and the national lockdown enforced in March 2020, all of QDT's work and future plans had to be adapted and or changed to be in line with government restrictions during the course of the year. This period was extremely challenging but the team worked really hard to be as creative as possible.

Early Years and Children's Centres

The nurseries stayed open throughout the year in accordance with government guidelines and, during the first lockdown, provided provision for keyworkers and vulnerable children.

Throughout the year, provision was adapted in accordance with guidance and restrictions to minimise risk in response to the pandemic. Due to the pandemic nursery occupancy rates dropped significantly in line with a national pattern.

During the year our service delivery changed for families and an online offer was developed to support families virtually with over 200 videos being recorded including activities, stories and information. When allowed, small face to face sessions were provided in line with government guidelines

Start Well Greenwich Children's Centres

On 1st April 2020, our Start Well Greenwich contract commenced, giving us responsibility for managing six Children's Centres in the Greenwich West area. This new contract meant that we welcomed the staff from Pound Park Children's Centre into our team. Our Children's Centre staff have worked throughout this challenging time and have been a lifeline to our families by keeping in regular contact and supporting where possible, as well as being present at our hub Children's Centre for assisting people who needed help.

Due to the challenges of the pandemic and the many delays which it caused (as experienced by many organisations), we, in consultation with our Start Well Greenwich partners, made the decision to subcontract the Health Visiting Service to Oxleas NHS Foundation Trust (the previous provider) for the first year of the contract. They therefore delivered the Health Visiting service until 31st March 2021.

Volunteers

We express our appreciation and thanks to all our wonderful volunteers, some of whom were able to continue their voluntary work with us in a 'Covid Safe' manner over the year. This included our Breastfeeding one to one support, Older People's Lunch Club and Youth Club support. Our Trustees, who support across all areas of our Trust, have also continued to steer Quaggy throughout, supporting all aspects of our governance.

Despite having a committed group of volunteers before the pandemic, volunteering was severely affected by the pandemic. Some volunteers naturally decided to self-isolate and Quaggy also made a conscious decision, following Risk Assessment and seemingly continuously changing government guidelines, to keep the number of people on site to a minimum to enable social distancing in our centres.

ACHIEVEMENTS AND PERFORMANCE 2020-2021 (continued)

Volunteers (continued)

We very much look forward to relaunching our Volunteering Programme later in 2021, which we know will add value to our services and enable us to help develop people from our community, making the volunteering experience with Quaggy a rewarding one.

Covid-19 Response

We were successful in gaining funding of £6,900 from the COVID – 19 Emergency Fund from Greenwich Charitable Trust and Metro GAVS. The focus of the project was to develop a range of mainly online sessions to support the wellbeing of local residents. We delivered a wide range of activities such as Laughter Yoga, Mindfulness and Wellbeing Workshops as well as direct telephone calls to our Older People. The project supported 55 people in total and the feedback clearly showed that engaging in it made a difference to the participants, in particular, helping them to develop their coping strategies to deal with stress and anxiety.

In order to sustain the outcomes made possible by this funding, we used some of the grant to create a Wellbeing Hub on our website, which contains resources such as videos and links to further support. This is available at: https://quaggydevelopmenttrust.org/wellbeing-hub/

During the year we made and delivered food parcels to local residents in partnership with Peabody Housing Association. This was during the first national lockdown to provide food parcels to vulnerable families. Over 400 were delivered.

At Christmas the children's centres took part in delivering breakfast bags for vulnerable children over the Christmas holidays as part of Marcus Rashford's campaign as well as delivering toy parcels that we had obtained from the Salvation Army to vulnerable families with whom we work.

Our Lunch Club continued when possible within guidelines. During the third lockdown, we provided a home delivery service once a week for those that wanted it, dropping the ready prepared meal to participants' doors and having a quick socially distanced chat to help them stay connected.

Think Aloud

In the summer of 2020, QDT successfully applied for a Covid-19 response grant from BBC Children in Need. Working closely with Invicta Deptford and Blackheath primary schools, our goal was to ensure children had the emotional support and creative space they needed in the wake of the pandemic and multiple national lockdowns. The grant enabled us to double the 1-2-1 art and play therapeutic counselling sessions delivered in the schools and to run arts-based sessions that used dance, music and storytelling prompts from local artists to inspire young people to share their thoughts about the pandemic through creative means.

Around 280 young people took part – nine classes from the two schools each of around 29 students participated in the school based sessions whilst a further 20 young people from Quaggy's Young Person's group took part in a media and photography discovery hub which inspired them to document their culture, share ideas and imagine new activities that could be programmed for the club in the year ahead as restrictions ease.

This was an intricate and organic project that had to pivot around lockdowns, social distancing and the constant presence of the Covid pandemic that impacted each person and the staff that work with them differently. Monitoring has shown that it has been effective in reaching and engaging young people and that many have benefitted from the targeted, specialist support.

ACHIEVEMENTS AND PERFORMANCE 2020-2021 (continued)

Getting through it together

Just before the second national lockdown in the Autumn of 2020, Quaggy was successful in securing funding to create a menu of online wellbeing, learning and fun activities to help people stay well and connected. The funding was focused on meeting the needs of children and families and those dealing with the challenges of being a new parent.

Older people, who had become both more vulnerable and isolated as a result of the pandemic, were also supported. From Zoom based fitness classes, music sessions and bouncing babies to online wellbeing/engagement workshops for mums/carers at risk of peri-natal depression, 'Getting through it together' facilitated many QDT services online providing new ways for people in need of support to get the help they needed.

Counselling Service

As with our other services, the Counselling Service had to stop in March 2020 when the first lockdown was announced. Clients were kept in touch with and supported via emails, but it was not viable to see clients in our settings, so the decision was made to close the counselling service for a temporary period. During the summer of 2020 plans were made to re-launch it in October; this included a blended mix of online and face to face counselling, initially for those clients who had previously had to stop their sessions suddenly.

Circumstances also changed for the Counsellors and we began recruiting to re-build the team, this included a new Counselling Service Lead, who joined the team in January 2021.

FUTURE PLANS AND KEY OBJECTIVES FOR 2021-2022

We are currently still in the midst of a global pandemic and so most of our plans for the coming year will be focusing on the recovery and adaptation of services. These will include services for older people, young people and children and families.

We will re-open the counselling service and reinstate face to face sessions when and where people feel comfortable.

We also aim to increase occupancy in the nurseries post pandemic and restoring parents' confidence in accessing the provision post pandemic.

We are strengthening our commitment to our ECO journey; building on the things we are already doing, celebrating and embedding them. We will develop an Action Plan, Eco Policy and address sustainability across the Trust.

The Trustees have initiated a review of the Charity's Memorandum and Articles of Association, which they expect to be concluded during the year.

INVESTMENT POLICY

The Charity owns two investment properties in the local area. It is the Charity's policy to maintain these investments for the foreseeable future in order to provide regular income and capital appreciation. The Trustees continue to monitor the local housing market to ensure that they are fully informed and can make appropriate decisions on the investments.

RESERVES POLICY

After consideration of funding and contingency requirements of the Charity, the Trustees believe that free reserves (as defined by the Charity Commission) equivalent to approximately six months of expenditure should be maintained, which they estimate as being approximately £1,500,000. At 31 March 2021, free reserves amounted to £847,780 and so were some way below the target.

TRUSTEES' RESPONSIBILITIES

The trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that period.

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

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

The trustees are responsible for keeping proper 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 the group 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 to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

AUDITORS

Simpson Wreford LLP have expressed their willingness to continue as auditors and their reappointment will be proposed at the Annual General Meeting.

The above report has been prepared in accordance with the special provisions of Section 419(2) of the Companies Act 2006 relating to small companies.

Signed on behalf of the board of trustees on 30th November 2021.

.....
S Riley (Treasurer and Vice-Chair)

Opinion

We have audited the financial statements of Quaggy Development Trust (the 'Charity') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, Consolidated Balance Sheet, Consolidated Cash Flow Statement and the related 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 Charity's affairs as at 31 March 2021 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;
- 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 Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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 Charity'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 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, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the strategic report and 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 the strategic report and the directors' report) have 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which 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;
- the financial statements are not in agreement with the accounting records and returns;
- we have not obtained all the information and explanations necessary for the purposes of our audit;
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies' exemption from the requirement to prepare a strategic report.

Responsibilities of the trustees
As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees 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 they 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 Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Our 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. A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities]. This description forms part of our auditor's report.

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

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of membership organisations and support services sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, data protection and OFSTED regulations

- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Audit response to risks identified
We assessed the susceptibility of the Charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 1 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with OFSTED.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

Use of our report
This report is made solely to the Charity'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 Charity's members those matters we are required to state to them in an auditor's 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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

MB

Michael Broder BSc FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wreford LLP, Statutory Auditor
Wellesley House, Duke of Wellington Avenue, Royal Arsenal, London SE18 6SS

Dated: 10/12/21

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

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2021
(including consolidated income and expenditure account)

	Notes	2021 Unrestricted funds £	2021 Restricted funds £	2021 Total funds £	2020 Total funds £
Income					
Donations and legacies	3	98	47,000	47,098	47,790
Charitable activities	4	959,519	2,210,675	3,170,194	2,161,571
Investment income	5	21,661	-	21,661	16,547
Other trading activities	6	24,966	-	24,966	55,326
Other income		2,046	-	2,046	3,069
Total income		1,008,290	2,257,675	3,265,965	2,284,303
Expenditure					
Raising funds	8	39,101	-	39,101	65,350
Charitable activities	9	1,108,150	1,925,399	3,033,549	2,032,418
Total expenditure		1,147,251	1,925,399	3,072,650	2,097,768
Net (expenditure)/income		(138,961)	332,276	193,315	186,535
Transfer between funds	16	243,828	(243,828)	-	-
Net income before other recognised gains and losses		104,867	88,448	193,315	186,535
Other recognised gains and losses					
Gains on investment assets		-	-	-	45,000
Actuarial (losses)/gains on Defined benefit pension scheme	17	(101,090)	-	(101,090)	42,487
Net movement in funds		3,777	88,448	92,225	274,022
Reconciliation of funds					
Total funds brought forward		1,875,574	256,838	2,132,412	1,858,390
Total funds carried forward	16	1,879,351	345,286	2,224,637	2,132,412

The Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing activities.

The notes on pages 16 to 29 form part of these financial statements.

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2021

	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed assets					
Tangible assets	11	256,612	279,431	256,423	278,702
Investments	12	966,038	475,000	966,039	475,001
		1,222,650	754,431	1,222,462	753,703
Current assets					
Stock	13	188	188	-	-
Debtors	14	46,755	652,448	122,215	751,579
Cash at bank and in hand		1,529,477	1,587,280	1,525,637	1,544,374
		1,576,420	2,239,916	1,647,852	2,295,953
Creditors: amounts falling due within one year	15	(383,354)	(798,381)	(379,203)	(792,430)
Net current assets		1,193,066	1,441,535	1,268,649	1,503,523
Total assets less current liabilities		2,415,716	2,195,966	2,491,111	2,257,226
Defined benefit pension scheme	17	(191,079)	(63,554)	(191,079)	(63,554)
Total assets less liabilities		2,224,637	2,132,412	2,300,032	2,193,672
Funds					
Unrestricted general funds		1,677,766	1,610,435	1,753,161	1,671,695
Designated fund		-	63,554	-	63,554
Unrestricted revaluation reserve		201,585	201,585	201,585	201,585
Restricted funds		345,286	256,838	345,286	256,838
Total funds	16	2,224,637	2,132,412	2,300,032	2,193,672

The directors have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2021, although an audit has been carried out under section 144 of the Charities Act 2011. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these accounts under the requirements of the Companies Act 2006.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006.

The financial statements on pages 13 to 29 were approved by the Trustees on 30th November 2021 and are signed on their behalf by:

.....

S Riley (Treasurer and Vice-Chair)
Trustee

Company number: 04749158 (England and Wales). Charity number: 1109711.

QUAGGY DEVELOPMENT TRUST

CONSOLIDATED STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Cash generated by operating activities	**21**	446,838	288,766
Cash flows from investing activities			
Interest income		1,663	1,275
Purchase of investment property		(491,038)	-
Purchase of tangible fixed assets		(15,266)	(36,447)
Cash used in investing activities		(504,641)	(35,172)
(Decrease)/increase in cash and cash equivalents in the year		(57,803)	253,594
Cash and cash equivalents at the beginning of the year		1,587,280	1,333,685
Total cash and cash equivalents at the end of the year		1,529,477	1,587,280

1. Principal accounting policies

Company information
Quaggy Development Trust is a Charitable Company Limited by Guarantee incorporated in England and Wales, registration number 04749158. The registered office is Quaggy Childrens Centre, Orchard Hill, London, SE13 7QZ.

Basis of accounting
The financial statements have been prepared in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)" - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Quaggy Development Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

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

The financial statements have been prepared on the historical cost convention, modified to include certain financial instruments at fair value or amortised cost. The principal accounting policies adopted are set out below.

Group financial statements
The financial statements consolidate the results of the charity and its wholly owned subsidiary, Quaggy Café At Parkside Limited, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Trust has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Income
Income is recognised dependent on the nature of the income receivable:

- Nursery and crèche fees are accounted for on an accrual basis. Any fees received in advance are deferred and included in the Statement of Financial Activities in the year the fees relate to.
- Donations are recognised when the charity is legally entitled to the income.
- Grants receivable are accounted for on an accrual basis and are accounted for in charitable activities and recognised in the restricted funds to which they relate.
- Other trading activities relate to income derived from the subsidiary company and are recognised at fair value upon transfer of goods or at the time of a service being provided.
- Other income, including bank interest, is accounted for on an accrual basis once the income becomes receivable and that amount can be measured reliably by the charity.
- Donated services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. On receipt, donated services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1. Principal Accounting Policies (continued)

Expenditure
Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds comprise the costs of commercial trading and includes wage costs of employees' time spent and their associated support costs.
- Expenditure on charitable activities includes the costs of running community projects and the children's services, undertaken to further the purposes of the charity and their associated support costs.

Grants payable are accounted for on an accrual basis and are accounted for in charitable activities and recognised in the restricted funds to which they relate if applicable. Grants payable to third parties are within the charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive the grant.

Allocation of support costs
Support costs which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities. The apportionment is defined as either direct or indirect.

Investment property
Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Fair value is determined by the Trustees using freely available information from internet sites such as Rightmove and Zoopla. The surplus or deficit on revaluation is recognised in the Statement of Financial Activities.

Tangible fixed assets
Individual fixed assets with a cost of more than £300 are capitalised at cost and depreciated over their expected useful life, as follows:

Plant and machinery, consisting of:

• Kitchen equipment	20% straight line
• Toys and play equipment	25% straight line

Office equipment, consisting of:

• Office equipment	15% straight line
• Computers	25% straight line

Leasehold improvements	15 years straight line

Quaggy Café at Parkside Limited

• Kitchen equipment	25% reducing balance

Stock
Stocks are valued at the lower of cost and net realisable value.

Debtors
Trade and other debtors are recognised at the settlement amount due after trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1. Principal Accounting Policies (continued)

Cash at bank and in hand
Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors and provisions
Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discount due.

Operating lease commitments
Rentals paid under operating leases are charged on a straight-line basis over the lease term.

Going concern
At the time of approving the financial statements, the trustees have a reasonable expectation that the charity 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.

Pensions
Retirement benefits to one of the employees of the charity are provided by the Local Government Pension Scheme ('LGPS'). This is a defined benefit scheme, the assets of which are held separately from those of the charity.

The LGPS is a funded scheme and the assets are held separately from those of the charity in separate trustee administered funds. Pension scheme assets are measured at fair value and the liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance cost or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

The Charity also operates a defined contribution pension scheme. The assets of this scheme are also held separately from those of the Charity in an independently administered fund. Contributions are charged to the Statement of Financial Activities as they become payable. Pension contributions are allocated between restricted and un-restricted funds are allocated based on the time spent by staff.

Financial instruments
The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Legal status of the Trust
The Trust 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. Principal Accounting Policies (continued)

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

Restricted funds are funds made to the charity which are to be used in accordance with specific restrictions imposed by donors. The cost of raising and administering such funds are charged against the specific fund. The aim and use of material restricted funds is set out in note 16 to the financial statements.

Designated funds are unrestricted funds which have been designated by the Trustees for a specific purpose.

2. Financial performance of the Charity

The consolidated statement of financial activity includes the results of the Charity's wholly owned subsidiary, Quaggy Café at Parkside Limited. The summary financial performance of the Charity alone is:

	2021 £	2020 £
Income	3,240,999	2,228,977
Expenditure	(3,033,549)	(2,032,418)
	207,450	196,559
Gains/(losses) on investment assets	-	45,000
Actuarial (losses)/gains on defined benefit pension scheme	(101,090)	42,487
Net income	106,360	284,046
Funds brought forward	2,193,672	1,909,626
Total funds carried forward	2,300,032	2,193,672
Represented by:		
Restricted funds	345,286	256,838
Unrestricted funds	1,954,746	1,936,834
	2,300,032	2,193,672

3. Donations income

	2021 £	2020 £
Notional rent - restricted	47,000	47,000
Other donations - unrestricted	98	790
	47,098	47,790

The local council provides the buildings, from which the Quaggy Children's Centre and Nursery and Margaret Bondfield Nursey are run, free of charge. Notional rent is an estimated contribution of the cost to the Charity if the facilities were to be provided by third party.

4. Charitable activities income

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total 2021 £	Total 2020 £
Nursery and crèche fees	837,068	-	837,068	1,146,545
Start Well Greenwich West contract	-	2,162,641	2,162,641	879,431
Other grant income	69,381	48,034	117,415	49,340
Catering income	182	-	182	1,115
Other community work income	22,042	-	22,042	64,009
Other Children's Centre income	30,846	-	30,846	21,131
	959,519	2,210,675	3,170,194	2,161,571

Comparative information regarding funds is shown in note 22.

5. Investment income

	2021 £	2020 £
Rental income	19,998	15,272
Bank interest	1,663	1,275
	21,661	16,547

All amounts relate to unrestricted funds.

6. Commercial trading operations

The wholly owned subsidiary Quaggy Café at Parkside Limited is incorporated in the United Kingdom (company number 10642622). The subsidiary company operates a local community café located near to the Quaggy Childrens Centre. The summary financial performance of the subsidiary alone is:

	2021 £	2020 £
Turnover and other operating income	24,966	55,326
Cost of sales and administrative expenses	(39,101)	(65,350)
Net loss retained in subsidiary	(14,135)	(10,024)
The assets and liabilities of the subsidiary were:		
Fixed assets	189	729
Current assets	4,028	45,155
Current liabilities	(79,611)	(107,143)
Total net liabilities	(75,394)	(61,259)
Aggregate share capital and reserves	(75,394)	(61,259)

7. Operating profit

	2021 £	2020 £
This is stated after charging:		
Depreciation of owned fixed assets	38,085	36,203
Auditor's remuneration		
- Audit of the financial statements	5,500	5,500
- Other services	1,748	1,748

8. Raising funds expenditure

	2021 £	2020 £
Commercial trading operations – note 6	39,101	65,350
Fundraising expenditure	-	-
	39,101	65,350

9. Charitable activities expenditure

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Staff costs including expenses	862,086	577,439	1,439,525	1,437,962
Subcontract costs	-	1,058,311	1,058,311	-
Premises, utilities and equipment	122,050	122,070	244,120	207,817
Community activities	13,903	68,811	82,714	172,560
Nursery and crèche	23,169	686	23,855	53,886
Office, computers and communications	29,510	48,242	77,752	42,724
Legal and professional	-	40,189	40,189	57,130
Depreciation	37,545	-	37,545	36,205
Sundry expenses	12,449	5,499	17,948	11,036
Audit and accountancy fees	7,438	4,152	11,590	13,098
	1,108,150	1,925,399	3,033,549	2,032,418

Comparative information regarding funds is shown in note 22.

10. Staff costs and numbers

No remuneration was paid to any of the Trustees in the year and none of the Trustees were reimbursed any expenses in the year.

Staff wage costs were as follows:

	2021	2020
	£	£
Salaries and wages	1,107,759	1,138,902
Key management remuneration	141,896	144,356
Social security costs	107,361	106,262
Defined contribution pension costs	21,655	22,532
Pension service cost	25,516	22,013
	1,404,187	1,434,065

One employee, who is included above within key management, received emoluments of between £90,001 and £100,000 both in the current year and the comparative year. No other employee received emoluments of more than £60,000 in either year.

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

	2021	2020
	No.	No.
Nursery and Children Centre staff	41	41
Management and administration	14	14
Other support services	4	4
Quaggy Café at Parkside	2	2
	61	61

11. Tangible fixed assets - *Group*

	Leasehold improvements	Office equipment	Plant & machinery	Kitchen equipment	Total
	£	£	£	£	£
Cost or valuation					
At 1 April 2020	302,355	139,826	78,381	1,728	522,290
Additions	-	15,266	-	-	15,266
Disposals	-	-	-	-	-
At 31 March 2021	302,355	155,092	78,381	1,728	537,556
Depreciation					
At 1 April 2020	60,472	103,007	78,381	999	242,859
Charge for the year	20,156	17,389	-	540	38,085
At 31 March 2021	80,628	120,396	78,381	1,539	280,944
Net book value					
At 31 March 2021	221,727	34,696	-	189	256,612
At 31 March 2020	241,883	36,819	-	729	279,431

11. Tangible fixed assets - *Charity*

	Leasehold improvements £	Office equipment £	Plant & machinery £	Total £
Cost or valuation				
At 1 April 2020	302,355	139,826	78,381	520,562
Additions	-	15,266	-	15,266
Disposals	-	-	-	-
At 31 March 2021	302,355	155,092	78,381	535,828
Depreciation				
At 1 April 2020	60,472	103,007	78,381	241,860
Charge for the year	20,156	17,389	-	37,545
At 31 March 2021	80,628	120,396	78,381	279,405
Net book value				
At 31 March 2021	221,727	34,696	-	256,423
At 31 March 2020	241,883	36,819	-	278,702

12. Investments - *Group*

	Investment properties £	Total £
Valuation		
At 1 April 2020	475,000	475,000
Additions	491,038	491,038
At 31 March 2021	966,038	966,038

Charity

	Investments	Investment properties £	Total £
Valuation			
At 1 April 2020	1	475,000	475,001
Additions	-	491,038	491,038
At 31 March 2021	1	966,038	966,039

The investment in subsidiary relates to the entire ordinary share capital of Quaggy Café at Parkside Limited and the details of this company are provided in note 6 to these financial statements.

13. Stock

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Food	188	188	-	-

14. Debtors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	18,058	607,162	18,058	605,162
Other debtors	14,811	16,756	14,811	16,694
Amounts owed by group undertakings	-	-	75,460	101,193
Prepayments and accrued income	13,886	28,530	13,886	28,530
	46,755	652,448	122,215	751,579

15. Creditors

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade creditors	51,089	63,138	50,922	60,853
Accruals and deferred income	291,258	69,955	287,274	66,289
Other creditors	41,007	665,288	41,007	665,288
	383,354	798,381	379,203	792,430

16. Reserves

	At beginning of period	Incoming resources	Resources expended	Gains & losses	Transfers	At 31 March 2021
	£	£	£	£	£	£
Unrestricted funds						
General funds (gross)	1,610,435	1,008,290	(1,147,251)	(101,090)	498,461	1,868,845
Pension liability	-	-	-	-	(191,079)	(191,079)
General funds (net)	1,610,435	1,008,290	(1,147,251)	(101,090)	307,382	1,677,766
Revaluation reserve	201,585	-	-	-	-	201,585
Designated fund	63,554	-	-	-	(63,554)	-
Total unrestricted funds	1,875,574	1,008,290	(1,147,251)	(101,090)	243,828	1,879,351
Restricted funds						
Children-in-need	-	22,087	(13,532)	-	-	8,555
RBG Perinatal grant	13,010	13,957	(420)	-	-	26,547
Notional rent - QCC	-	22,250	(22,250)	-	-	-
Notional rent - MBN		24,750	(24,750)	-	-	-
Lewisham Council grant	-	2,000	(2,000)	-	-	-
London Comm. Foundation	-	9,990	(9,990)	-	-	-
RBG West area CC	243,828	-	-	-	(243,828)	-
RBG West area SWG	-	2,162,641	(1,852,457)	-	-	310,184
Total restricted funds	256,838	2,257,675	(1,925,399)	-	(243,828)	345,286
Total funds	2,132,412	3,265,965	(3,072,650)	(101,090)	-	2,224,637

Unrestricted funds

The revaluation reserve relates to the investment properties.

The designated fund was intended to match the defined benefit pension scheme deficit.

16. Reserves (continued)

Restricted funds
Children-in-Need – Funding received from BBC Children-in-need for a project entitled "Think aloud – Document your Pandemic".

RBG Perinatal Services – Funding received from Royal Borough of Greenwich for Perinatal Services.

Notional Rent QCC and MBN represents estimates of the rent that would be payable for the premises from which Quaggy Children's Centre and Margaret Bondfield Nurseries operate if they were not provided rent-free by the Royal Borough of Greenwich. The estimates are included as donations in note 3 and expenditure in note 9.

Lewisham Council Grant relates to an Additional Restrictions Grant received from Lewisham Council to mitigate financial losses due to the Covid-19 pandemic at the charity's nursery in the Borough of Lewisham.

London Community Foundation relates to a grant received to provide remote well-being support services for families during lockdown.

RBG West area CC relates to funds relating to the Contract to deliver Children's Centre Services in the Greenwich West area which ran until 31 March 2020, when the balance of funds became unrestricted.

RBG West area SWG relates to the "Start Well Greenwich" Contract to deliver Children's Centre and Health Visitor Services in the Greenwich West area for a period of five years from 1 April 2020. The Charity has subcontracted the delivery of Health Visitor services in conjunction with two partner organisations.

17. Pension commitments – group and charity

During the year, the charity employed three (2020: one) members of staff who belonged to the Local Government Pension Scheme (LGPS), a defined benefit pension scheme managed by a local authority.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation related to the year ended 31 March 2021. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Local Government Pension Scheme (LGPS)

The charity is one of the several employing bodies included within the Local Government Pension Scheme.

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total employer's contribution for the year ended 31 March 2021 was £16,185 (2020: £9,818) representing a contribution rate of 18.6%.

Principal Activity Assumptions

	2021	2020
	%	%
Rate of increase in salaries	3.80	2.75
Rate of increase in pensions	2.80	1.75
Discounted rate for liabilities	2.05	2.35
Inflation rate	2.80	1.75

The return on the Fund is estimated to be -7%

17. Pension commitments – group and charity (continued)

Mortality assumptions
The assumed life expectations on retirement at age 65 are:

	2021	2020
Retiring today		
Males	20.9	20.8
Females	23.6	23.5
Retiring in 20 years		
Males	22.4	22.3
Females	25.2	25.1

Analysis of amounts recognised in the Statement of Financial Activities

	2021 £	2020 £
Current service cost	40,891	22,013
Net interest on defined benefit liability	1,664	2,077
Administration expenses	65	58
Total expenditure to be recognised in the SOFA	42,620	24,148

Value of scheme assets and liabilities

	2021 £	2020 £
Equities	13,174	6,285
Bonds	23,812	13,041
Property	12,615	7,713
Cash	1,774	1,104
Unutilised insurance policies	55,595	25,548
UK & Overseas unit trusts	35,400	15,004
Market value of assets	142,370	68,695
Present value of scheme liabilities – funded	(333,449)	(132,249)
Net pension deficit in scheme	(191,079)	(63,554)

The expected return on assets, other than bonds, is calculated using an economic scenario generator that uses probability distributions to project a range of possible outcomes for the future behaviour of asset returns and economic variable. Expected returns on bond assets are derived from the yields applicable to the accounting date on suitable bond indices.

17. Pension commitments – group and charity (continued)

Analysis of amount chargeable to the Statement of Financial Activities (SOFA)

	2021 £	2020 £
Return of fund assets in excess of interest	22,879	(6,335)
Other actuarial gains/(losses) on assets	-	(1,677)
Change in financial assumptions	(123,969)	26,169
Change in demographic assumptions	-	15,670
Experience gain on defined benefit obligation	-	8,660
Actuarial losses on scheme liabilities	-	-
Actuarial (loss)/gain recognised	(101,090)	42,487

Movements in present value of defined benefit obligations:

	2021 £	2020 £
Liabilities at 1 April 2020	132,249	152,869
Current service cost	25,516	19,482
Contributions from scheme members	6,536	4,071
Change in financial assumptions	123,969	(26,169)
Change in demographic assumptions	-	(15,670)
Liabilities assumed on settlements	41,034	-
Experience gain on defined benefit obligation	-	(8,660)
Past service cost	-	2,531
Interest cost	4,145	3,795
At 31 March 2021	333,449	132,249

Movements in the fair value of Fund assets

	2021 £	2020 £
Fair value of assets at 1 April 2020	68,695	65,229
Interest on assets	2,481	1,718
Return on assets less interest	22,879	(6,335)
Actuarial loss	-	(1,677)
Administration expenses	(65)	(58)
Settlement prices received / (paid)	25,659	-
Contributions by employer	16,185	5,747
Contributions by scheme members	6,536	4,071
Fair value of assets at 31 March 2021	142,370	68,695

18. Other financial commitments

At the year end the Charity had annual commitments under non-cancellable operating lease in relation to the Nursery at Parkside Square, Lewisham, SE10 8FN as set out below:

	2021 £	2020 £
Falling due within one year	112,000	112,000
Falling due between two and five years	112,000	224,000
	224,000	336,000

All operating lease payments are charged to the SOFA as they fall due.

19. Analysis of group net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
2021			
Fixed assets	1,222,650	-	1,222,650
Cash at bank and in hand	1,184,191	345,286	1,529,477
Other net current liabilities	(336,411)	-	(336,411)
Pension scheme provision	(191,079)	-	(191,079)
	1,879,351	345,286	2,224,637
2020			
Fixed assets	754,431	-	754,431
Cash at bank and in hand	1,330,441	256,839	1,587,280
Other net current liabilities	(145,745)	-	(145,745)
Pension scheme provision	(63,554)	-	(63,554)
	1,875,573	256,839	2,132,412

20. Related parties

During the year and the comparative year no Trustees were reimbursed any expenses.

At 31 March 2021, the charity was owed £75,460 (2020: £101,193) by its subsidiary, Quaggy Café at Parkside Limited. No interest is charged on the balance, which is repayable on demand.

21. Reconciliation of net movement in funds to net cash flow from operating activities

	2021 £	2020 £
Net movement in funds	92,225	274,022
Depreciation charge	38,085	36,446
Interest shown as investment income in SOFA	(1,663)	(1,275)
Revaluation gain	-	(45,000)
Increase/(decrease) in defined benefit pension liability	127,525	(24,086)
Increase in stock	-	-
Decrease/(increase) in debtors	605,693	(553,865)
(Decrease)/increase in creditors	(415,027)	602,524
Net cash generated by operating activities	446,838	288,766

22. Comparative information

	Unrestricted Funds £	Restricted Funds £	Total £
Analysis of Income from charitable activities by fund (note 4)			
Nursery and crèche fees	1,146,545	-	1,146,545
Greenwich West Children's Centre contract	-	879,431	879,431
Other grant income	-	49,340	49,340
Catering income	1,115	-	1,115
Other community work income	64,009	-	64,009
Other Children's Centre income	21,131	-	21,131
	1,232,800	928,771	2,161,571
Analysis of Expenditure on charitable activities by fund (note 6)			
Staff costs including expenses	790,177	647,785	1,437,962
Premises, utilities and equipment	98,054	109,763	207,817
Community activities	38,369	134,191	172,560
Nursery and crèche	52,682	1,204	53,886
Office, computers and communications	30,666	12,058	42,724
Legal and professional	243	56,887	57,130
Depreciation	36,205	-	36,205
Sundry expenses	7,963	3,073	11,036
Audit and accountancy fees	7,408	5,690	13,098
	1,061,767	970,651	2,032,418