

FIVE CHILDREN AND FAMILIES TRUST LTD

England & Wales · Charity number 1112796

Details

Other names SURE START SPEKE LIMITED

Status Registered

Legal form Charitable company

Company number [04241965](#)

Registered 2006-01-23

Register [View on the Charity Commission register](#)

Contact

Address Five Children And Families Trust
Five Children Centre Speke
Conleach Road
Speke
Liverpool
L24 0TW

Phone 01514869719

Email info@fiveforfamilies.co.uk

Website www.fiveforfamilies.co.uk

Activities

Objects: 3.1 PROMOTE THE PHYSICAL, INTELLECTUAL AND SOCIAL DEVELOPMENT AND EDUCATION OF PRE-SCHOOL AND YOUNG CHILDREN PARTICULARLY THOSE WHO ARE DISADVANTAGED OR WHO HAVE SPECIAL NEEDS AND TO ENSURE THAT THEY ARE READY TO FLOURISH WHEN THEY GET TO SCHOOL BY WORKING WITH FAMILIES, FOSTER AND SURROGATE FAMILIES AND CARING FOR AND NURTURING CHILDREN;3.2 ADVANCE THE EDUCATION OF THE PUBLIC IN ALL ASPECTS OF THE DEVELOPMENT OF YOUNG CHILDREN INCLUDING SPEECH AND LANGUAGE.3.3 RELIEVE POVERTY, SICKNESS AND DISTRESS AMONG THOSE IN NECESSITOUS CIRCUMSTANCES,3.4 RELIEVE UNEMPLOYMENT IN SUCH WAYS AS MAY BE THOUGHT FIT INCLUDING ASSISTANCE TO FIND EMPLOYMENT, AND3.5 CARRY OUT SUCH OTHER EXCLUSIVELY CHARITABLE PURPOSES AS MAY BE CONVENIENTLY OR ADVANTAGEOUSLY CARRIED OUT IN CONJUNCTION WITH THE OBJECTIVES SET OUT IN SUB-CLAUSES 1 TO 4 OF THIS CLAUSE.

Activities: Our objectives support achievement of the five outcomes for children. We are passionate about delivering high quality services to children and families: offering extensive outreach family support project, a

range of centre based activities supporting healthier lifestyles, childcare and parent child interventions. Parents/young people are supported to access employment and training opportunities.

Classification

- **How:** Makes Grants To Individuals, Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** General Charitable Purposes, Education/training, The Advancement Of Health Or Saving Of Lives, Disability, The Prevention Or Relief Of Poverty, Economic/community Development/employment
- **Who:** Children/young People, People With Disabilities, Other Charities Or Voluntary Bodies, Other Defined Groups

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE. MERSEYSIDE AND LIVERPOOL
- Liverpool City

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£2,290,959	£1,806,081	£941,245	68
2024-03-31	£1,808,841	£1,743,768	£456,367	69
2023-03-31	£1,519,671	£1,556,220	£391,294	67
2022-03-31	£3,479,898	£1,543,852	£427,843	50
2021-03-31	£1,425,915	£1,393,231	£361,159	72

Trustees

Name	Role	Appointed
PAUL ROBERT BOSTOCK	Chair	
ANNMARIE HUGHES		
Mark William Ord		
Patricia Marion Freeman		2015-08-26

FIVE CHILDREN AND FAMILIES TRUST LTD

England & Wales - Charity number 1112796

Accounts

FIVE CHILDREN AND FAMILIES TRUST LTD
(A COMPANY LIMITED BY GUARANTEE)

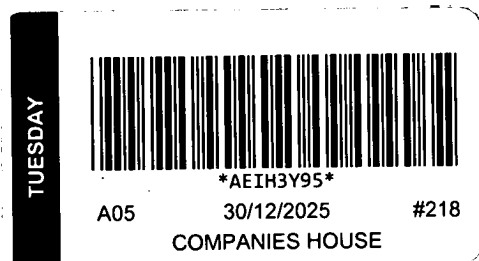
ANNUAL REPORT AND ACCOUNTS

for the year ended

31st March 2025

REGISTERED NUMBER: 4241965

CHARITY NUMBER: 1112796



FIVE CHILDREN AND FAMILIES TRUST LTD

**Annual Accounts
for the year ended 31st March 2025**

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FIVE CHILDREN AND FAMILIES TRUST LTD

Company Information 31st March 2025

Company number: 4241965

Charity number: 1112796

Trustees: P R Bostock (Chair)
P M Freeman
M Ord
A Hughes

Secretary: S Roberts

Chief Executive: S Roberts

Registered office: Conleach Road
Speke
Liverpool
L24 0TW

Bankers: Co-operative Bank plc
Po Box 250
Delf House
Southway
Skelmersdale
WN8 6WT

Solicitors: Hill Dickinson LLP
No.1 St. Paul's Square
Liverpool
L3 9SJ

Auditor: Mitchell Charlesworth (Audit) Limited
Accountants
Statutory Auditor
Suites C,D,E,F, 14th Floor
The Plaza
100 Old Hall Street
Liverpool
Merseyside, L3 9QJ

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2025

The trustees (who are also the directors of the company for the purposes of company law) present their report together with the audited accounts of the charity for the year ended 31st March 2025. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Trustees

The trustees who served during the year are detailed on page 1.

P R Bostock retires by rotation and being eligible, offers himself for re-election.

Objects and activities

The objects of the charity are to:

- Promote the physical, intellectual and social development and education of pre-school and young children particularly those who are disadvantaged or who have special needs and to ensure that they are ready to flourish when they get to school by working with families, foster and surrogate families and caring for and nurturing children.
- Advance the education of the public in all aspects of the development of young children including speech and language.
- Relieve poverty, sickness and distress among those in necessitous circumstances.
- Relieve unemployment in such ways as may be thought fit including assistance to find employment, and
- Carry out such other exclusively charitable purposes as may be conveniently or advantageously carried out in conjunction with the primary objects.

The charity has the general aim of working in partnership to deliver better outcomes for children and families.

The main objectives for the year continue to be the delivery of our children centre contract, particularly focusing on enhanced family support through our parent mentor project, improving access to employment and the promotion of healthy lifestyles, in particular focusing on mental wellbeing and diet and nutrition.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2025 (continued)

Strategic Report

Achievements and performance

Children Centre Activities

Our Children Centres have provided a variety of services and activities, reaching a total of 4,404 individuals between April 2024 and March 2025.

Services offered include antenatal services, family support, day-care, child health services and universal early learning groups. We also provide employment assistance, and various educational programmes.

The highest attendance recorded in antenatal services (1,268) and centre-based family support (1,221).

Other notable services include postnatal services (1,171), Poverty support (826) and physical activity programs (769).

Monthly attendance demonstrates consistent engagement from both carers and children; carers consistently outnumbered children in attendance across most months, but this is largely due to our antenatal attendance.

Specific programs like speech and language support and special educational needs (SEN) services are also provided.

The centre emphasises mental health and emotional wellbeing, with 189 individuals receiving support in this area.

Attendance Trends for Specific Services

The attendance trends for specific services indicate varying levels of engagement throughout the year.

Antenatal services saw the highest engagement, particularly in April 2024 (243 carers).

Centre-based family support had significant attendance, with 203 children in April 2024.

Physical activity programs peaked in August 2024, with 612 total attendees (261 carers and 351 children).

Summary of Special Programs and Support

The centre provides targeted support programs for children with special needs and their families.

SEN direct work with children and parents saw 105 individuals engaged and specialist support groups for SEN included 110 participants.

Speech and language services had a total of 316 individuals receiving targeted and universal support.

A new Alder Hey service began operating from the centre providing community based appointments for children and young people with an ADHD diagnosis and YPAS delivered an Incredible Years Programme for parents with neurodiverse children.

Overall Impact and Reach

Our Children Centre has circa 4,500 children aged 0-4 registered for services, this high level of out of area registration has masked the focus on our in area target registration of 80%. In addition birth registration data has not been provided for a number of years, this data sharing resumed in May 2024. 1,537 of children registered live in our reach area, this is 63% of our target population, however analysis of the in year registrations demonstrates that 78% live in our area and we also registered 87% of all new births. We are confident that a sharper focus on birth registrations will ensure that over a 3 year period we will exceed the 80% target.

FCFT has made a significant impact on the community by providing essential services and support, through its children centre and childcare activity, notwithstanding the coordinated efforts of our partners.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2025 (continued)

Overall Impact and Reach (continued)

The centre's activities cater to all ethnicities and genders, ensuring inclusivity.

With a total reach of 4,404 individuals over 21,472 contacts reflects the centre's commitment to serving families in greatest need. Notably of the 1,346 children seen at our centres 962 lived in our area a total of 87.5% of all registered 0-4 year old children were seen. 67% of all children seen live in our 10% most deprived communities.

The table below summarises children attending by age:

Children aged under 1 year	Children aged 1 - 1 year 11 months	Children aged 2 – 2 years 11 months	Children aged 3 – 3 years 11 months	Children aged 4 – 4 years 11 months
We saw 568 children of whom 55.5% (315) lived in area.	We saw 242 children of whom 78% (189) lived in area.	We saw 320 children of whom 84.4% (270) lived in area.	We saw 274 children of whom 86% (236) lived in area.	We saw 217 children of whom 86% (187) lived in area.
The total volume of attendances for these children is 1927 attendances of which 74.4% (1434) live in the area 128 children, in area, attended 4 or more occasions, 81 of whom live in our most deprived communities (63%)	The total volume of attendances for these children is 1517 attendances of which 85.5% (1297) live in the area. 113 children, in area, attended 4 or more occasions 84 of whom live in our most deprived community (74%)	The total volume of attendances for these children is 1517 attendances of which 85.5% (1297) live in the area. 176 children, in area, attended 4 or more occasions 143 of whom live in our most deprived community (81%)	The total volume of attendances for these children is 3788 attendances of which 91% (3460) live in the area. 155 children, in area, attended 4 or more occasions 136 of whom live in our most deprived community (88%)	The total volume of attendances for these children is 1415 attendances of which 91.4% (1294) live in the area. 63 children, in area, attended 4 or more occasions 57 of whom live in our most deprived community (90%)

This analysis will provide a count of overlapping ages across the year so totals may exceed the total children seen +4 times.

Children at age two have targeted visit from their health visitor which often results in a referral to our service, in addition we were unable to operate childcare from our Parklands site which saw a reduction in the number of two year childcare places we were able to offer. As such the children centre was able to offer some targeted early learning support.

In terms of our poverty focus for last year we supported 826 individuals of those 68% lived in Speke and 280 were children aged 0-4. Each individual had an average of 2.3 contacts with the centre for support, ranging from debt advice, benefits support and support with food and vouchers.

Our work in relation to supporting access to childcare has gone unrecorded in this financial year and we know that this does support our poverty reduction work, as such we will start to record this work from April 2025 onwards.

We know that we are effective at targeting our most deprived communities, however the above analysis has led to a review of our under 1 offer, we also need to maintain a sharp focus on our birth data. Our centre improvement plan for 2025-2026 has three interconnected ambitions, to:

- Maximise registration and early contact with all under 5's in our reach area, reducing the number of families who are unaware of our service or unengaged with the children centre.
- Deepen engagement and sustained participation, particularly for children aged 0-2, so that families benefit from consistent relationships and support.
- Improve outcomes for children, by bringing families into early support pathways, promoting developmental milestones, enhancing school readiness and reducing inequalities.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2025 (continued)

Partnership Work

We continue to work with Statutory and Community partners this includes:

Liverpool City Council – Family Hubs, targeted youth service, early help teams, children services, public health, adult Learning service, Team Around the Neighbourhood, School Improvement Liverpool, Liverpool In Work and the SEND Team

Public Health Liverpool awarded Garston Children £50K in recognition of their work focusing on families who are impacted by substance misuse. This work supported Garston Kinship Carers, the Men's Mental Health Group and Garston Parent Group. The team led on a successful conference co-produced and delivered with the groups, highlighting the impact of the work.

PSS – Co delivery of parent training and conferences and 1:1 therapeutic sessions across both sites

Crosby Training – delivery of accredited training in Garston Children Centre

Citizen's Advice Liverpool Perinatal Mental Health Service – Drop in and referral services targeting pregnant women and those with a child up to age 2

Alder Hey - Provision of infant feeding clinics at both sites; Speech and language support for professionals and parents and ADHD Clinics on site.

Kinship Carers Liverpool – supporting delivery of Kinship Group at Garston Children Centre

ADHD Foundation – delivery of targeted early years play groups

MerseyCare Liverpool – Health Visiting Services are delivered from both centres and the team are a key referrer to our services. We also co-deliver parenting classes with the Perinatal Mental Health Service.

LWHT- antenatal services, ultrasound scans and neonatal hearing screening take place at our Speke site

STEC – compliance training for staff, board support and community learning for parents

Speke and Garston Adventure Playgrounds – delivery of joint events, shared resources, development of a Family Hub strategy

YPAS – delivered Incredible Years to parents of children with neurodiverse traits

Liverpool Citizens Advice Service – delivery of drop in support for their perinatal social prescribing service.

National Trust – we have worked with Speke Hall on the co-production of their poverty proofing strategy and we are now a Trusted Partner in allocating free annual passes to families

Social Landlords – strategic focus and joint initiatives

Local Schools and Training providers

This year Speke was selected as a Cradle to Career area, working with a national charity Right to Succeed. The Director has chaired the Cradle to Career Implementation Group, during its inception and we now Chair the Early Years Group. In terms of overall Governance, Cradle to Career will participate in the TAN and report progress through this forum ensuring the early years. FCFT has been an active participant in the roll out of LCC Neighbourhood Model and we have participated in a number of task and finish groups related to Neighbourhood priorities, in particular a Thriving Community and Voluntary Sector and Reduction in Anti-social behaviour.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2025 (continued)

Partnership Work (continued)

Our New Futures Group continue to support us in our work and in addition both Children Centres now have active parent groups who provide informal support and signposting, support with events and activities and broker in specific training that is wanted and needed by parents.

Lighthouse parenting programme will be delivered as part of a partnership with Alder Hey perinatal services, CAMHS, PSS and FCFT. It is an intensive 20 week programme that is underpinned by mentalisation based therapy as an approach that is supported by the Anna Freud Centre, who shape and lead practice across England's Family Hub Networks.

We encourage our families to participate in research projects and have supported the Children Growing Up in Liverpool (CGUL) research project, School Improvement Liverpool, development of an ACES strategy and training programme, National Trust – Speke Poverty Proofing project and LCC Housing strategy.

Five Childcare

We have had a significant setback to our childcare operation. Muddy Footprints Garston remains closed, initially to enable GAP to complete their refurbishment, we received a rental income from them in support of this. More latterly we have raised objections with the Office of Traffic Controller (OTC) and Liverpool City Council (LCC) planning department in relation to a planning application to establish a Builders Yard and Heavy Goods Operating Centre immediately adjacent to the nursery. We believe that if this is approved it will compromise both the safety of children and quality of the care we can offer. We are aware that there is a Public Enquiry planned and we have political support in relation to our objections for the proprietor to be granted an operating license. The CEO for LCC has raised an objection with the OTC.

However LCC has to remain neutral with regard to planning applications. We have taken advice and are confident that the proposal breaches the Liverpool Local Plan 2013-2033 in a number of areas and furthermore the proposal has no strategic significance to the plan.

We have also shifted our children centre delivery to our Muddy Footprints, Parklands site due to issues in relation to the provision of sufficient toilets on site for the nursery operation. This has resulted in a net loss of 19 childcare places in Speke, at a point when we were planning expansion. We are working proactively with LCC Asset Management and Childcare Sufficiency teams to resolve this matter, and we have been awarded a £40,000 capital investment to create 24 two year old places in the children centre. It is our intention to enter into a 5 year lease for Parklands, once a resolution has been achieved.

Our Childcare continues to operate sustainably and we have reduced staffing through natural movement of staff to other roles in the company, although sadly we have lost some practitioners to the early year's sector. We are also mindful of the impact to our community and continue to push for an expedient resolution.

Despite these setbacks, our nursery continues to fully integrate with the work of our children centre and add value to all aspects of our delivery, in particular SEND, parenting, safeguarding and poverty work.

As indicated above they have delivered 76,376 free childcare hours across the year.

Levels of children on roll having an identified special educational need, requiring intervention has increased. LCC SEND team acknowledges that levels of need are greater in Speke.

Our Childcare Manager continues to chair the Early Years Consortia, which considers representation from settings in relation to support for SEND children and she is also the representative for South Liverpool Private and Voluntary Sector Nurseries. Through this area of work she is able to impact systemically on the early year's sector and ensure the needs of some of our most vulnerable children are met within their provision

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2025 (continued)

Five Childcare

We continue to embed best practice approaches in relation to enhancing support for children to develop speech, language and communication skills as more than 50% of our children have mild to moderate delay in speech and language at their 2 year Base Line assessment. It has been acknowledged by Liverpool SEND team that FCFT has the highest number of children on roll who have an Early Notification in place 26% of these children with highly complex needs currently attend our setting.

Childcare has worked with all local primaries to ensure an effective transition from our setting, this has included visits from our schools so that they can observe children and gain a greater understanding of the children's needs. We will build on our transition work as part of the Early Years strand of Cradle to Career.

Public Benefit Statement

The Children Centre contract has a 100% focus on public benefit for children and families in Speke Garston and Cressington wards.

We support working parents with advice and guidance, ensuring maximum take up of childcare tax credits reducing fees by as much as 80% for the majority of parents and currently our ratio of free childcare provision stands at 60% compared to 40% fee paying. FCFT always ensures that fees are kept as low as possible without compromising our business sustainability.

Links were maintained and extended, with local businesses, who support our Food Poverty Work and would like to thank:

AstraZeneca, Fords, Nandos, Asda, Cash for Kids, Alpha Taxis and Bid Foods, all of whom have supported us to ensure families can have access to food and resources throughout the year and in particular over holiday periods.

Through our Children Centre work, we also support families to access resources through other charitable trusts and we are working with Torus Housing to distribute fuel vouchers to families. Our SEND Link workers also assist with the preparation of Disability Living Allowance applications and appeals on behalf of children with Special Educational Needs and Disability (SEND). We actively advocate on behalf of SEND children in terms of ensuring they are able to access support through the early year's consortia and ensure Education and Health Care Plans are in place prior to them starting school.

We continue to provide free training and consultancy to other local community organisations and groups on policy development, HR matters, funding and Safeguarding Children.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2025 (continued)

Risk management

The risk assessment register has been updated including any risks associated with new proposals. A summary of key risks is set out below whilst the likelihood of Covid 19 continuing to have the level of impact at the height of the pandemic the Board feels that it is important to include the risk of a significant outbreak of this or any other emergent viruses not withstanding coronavirus mutations and or potential new contagion:

Risk	Mitigation / Controls
Significant Viral Contagion – Risk to Employees	Full and immediate individual risk assessment of all staff, especially those considered vulnerable. Board and SMT commitment to maintain 100% salary payments where sustainable. Work-at-home and in-work protocols aligned with DfE and Local Authority guidance.
Significant Viral Contagion – Financial Impact	Government funding for early years and children's centres maintained. Review of any available government support. Deployment of staff to sustain business continuity.
Significant Viral Contagion – Community Impact	Staff identified as Critical Workers, ensuring centres remain open. Regular key person contact for children unable to attend. Use of Zoom, welfare calls, food vouchers, and activity packs. Strong community links maintained.
Loss of Revenues	Joint income generation across Liverpool network. Maintenance of tenancies and review of childcare allocations. Support to Garston Adventure Playground and Family Hub plans for longer-term financial sustainability.
Increase in Competition for Childcare	All settings graded 'Good' by Ofsted. Participation in quality assurance schemes. Targets in place to ensure positive child outcomes. Flexible response to 30 hours funding.

Financial review

The accounts show an increase in income of £482,118 to £2,290,959 (2024 £1,808,841).

The trustees report a surplus of £484,878 (2024 £65,073). This represents a surplus of £362,326 (2024 deficit £130,246) on restricted funds and a surplus of £122,552 (2024 £195,319) on unrestricted funds.

Investments powers and policy

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

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2025 (continued)

Policy on remuneration of key management personnel

The charity is committed to ensuring that we pay our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives.

The Board undertakes an annual review of salaries with the CEO in attendance, although the CEO does not participate in the discussions around their own salary. All salary reviews take account of the broader financial position of the organisation.

When carrying out its reviews, the Board has regard to:

- Industry benchmarks, including the pay grades of similar roles within the local authority, where services are commissioned by those bodies;
- making sure that pay rates are competitive within the sector;
- the remuneration package as a whole including pension contributions; and
- rewarding good performance.

Reserves policy

The charity's reserves policy is to build up an unrestricted reserve sufficient to enable the charity's activities to be continued for a period of 3 months should regular funding be reduced or become unobtainable.

This would provide the trustees with sufficient time to consider how the operations of the charity could be developed to enable its services to continue to be provided given the levels of funding available.

At present this level of reserves is realistically unobtainable but the trustees are looking at ways of increasing its incoming resources that would enable unrestricted reserves to be built up over a period of time.

Our business strategy is focused on the creation of a mixed economy that is:

- Less reliant on grant or a single source of income
- Builds on our existing enterprise portfolio and the creation of unrestricted reserves
- Ensures that all projects are based on the principles of full cost recovery

The build-up of a financial reserve is clearly linked to organisational performance and is wholly dependent on the organisation's ability to respond, develop and innovate within the context of our enterprise work.

This is consistent with our business mission:

"We will grow our services, innovatively, profitably and in accordance with our charitable mission."

In building sufficient reserves, we will be able to respond to potential risks and contingencies that may arise from time to time enabling us to meet financial risks associated with any contingency or uncertainty relating to the charity's operating activities. These include:

- The provision for an orderly winding-down of operations in the event of a significant adverse event that is outside the control of the charity.
- Shifts in legislation that may affect existing services provided for by the charity.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2025 (continued)

Structure, governance and management

Post balance sheet events

There are no significant post balance sheet events to report.

Governing document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 27th June 2001 as amended on 2nd March 2006 to allow for current governance arrangements.

The company was registered as a charity on 23rd January 2006.

Membership of the charity is open to individuals or organisations who qualify in accordance with the policy and criteria for admission of members made by the trustees.

Organisation

The board of trustees, which can have up to 9 members, administers the charity. The board meets at least four times a year and there are sub-committees covering finance, nominations and human resources.

A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Board has delegated authority to the Chief Executive for all operational matters including finance, employment and performance related activity.

Appointment of trustees

As set out in the Articles of Association the nominations committee will advise the charity on:

- Identification and selection of new trustees and making nominations to the AGM for the appointment of new trustees.
- Policy, criteria and other matters relating to membership of the charity.
- Appointment of the Chair, Deputy Chair, Treasurer and any other office holders.

The nominations committee has delegated authority to carry out its role detailed above and to make such nominations as it sees fit.

The charity is committed to the full involvement of parents in its strategic development and we would always seek to have a third of our membership made up of local parents. Currently 50% of the board is made up of local parents.

The trustees have the power to co-opt any person duly qualified to be appointed as a trustee to fill a vacancy in their number or as an additional trustee but a co-opted trustee holds office only until the next AGM.

All members are circulated with the invitations to nominate trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM.

Nominees appointed by Liverpool City Council and Liverpool Primary Care Trust are subject to the appointment processes of those bodies and the guidelines on appointment to public office as they apply to Local Government and Department of Health nominees.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2025 (continued)

Structure of Trustee induction and training

New trustees undergo an induction to brief them on:

- Their legal obligations under charity and company law.
- The content of the Memorandum and Articles of Association.
- Decision making processes.
- The business plan.
- Recent financial performance of the charity.
- The Code of Conduct for Board Members.
- Their responsibilities for safeguarding children.

During the induction period board members arrangements are made for them to meet key employees and other trustees.

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. The charity ensures adequate funds are available for trustees to undertake training in relation to their roles and responsibilities.

Statement of trustees' responsibilities

The trustees (who are also directors of Five Children and Families Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable 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 2019 (FRS 102);
- make judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2025 (continued)

Trustees' statement of disclosure of information to the auditors

Each of the persons who is a trustee at the date of approval of this report confirm in so far as they are aware that:

- 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 auditors are aware of that information.

By Order of the Trustees



M Ord
Trustee

24 December 2025

Mitchell Charlesworth (Audit) Limited

Accountants

Suites C,D,E,F, 14th Floor, The Plaza, Old Hall Street, Liverpool, Merseyside, L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of Five Children and Families Trust Ltd

For the year ended 31st March 2025

Opinion

We have audited the financial statements of Five Children and Families Trust Ltd (the 'charitable company') for the year ended 31st March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Mitchell Charlesworth (Audit) Limited

Accountants

Suites C,D,E,F, 14th Floor, The Plaza, Old Hall Street, Liverpool, Merseyside, L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of Five Children and Families Trust Ltd

For the year ended 31st March 2025 [Continued]

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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Accountants

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FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of Five Children and Families Trust Ltd

For the year ended 31st March 2025 [Continued]

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- the charitable company's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and members of the Board of Trustees of their own identification of and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:

Mitchell Charlesworth (Audit) Limited

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Accountants

FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd

For the year ended 31st March 2025 [Continued]

Identifying and assessing potential risks related to irregularities (continued)

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the charity's Statement of Financial Activities, (ii) the charity's accounting policy for revenue recognition, and (iii) the overstatement of salary and other costs. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and the Statement of Recommended Practice - 'Accounting and Reporting by Charities' issued by the joint SORP making body.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included Safeguarding and Data Protection regulations.

Audit response to risks identified

As a result of performing the above, we identified the presentation of the charitable company's Statement of Financial Activities, revenue recognition and overstatement of wages and other costs as the key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the Board of Trustees concerning actual and potential litigation and claims;

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FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of Five Children and Families Trust Ltd

For the year ended 31st March 2025 (Continued)

Audit response to risks identified (continued)

- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mitchell Charlesworth (Audit) Limited

Mr Philip Griffiths

Senior Statutory Auditor

29 December 2025

On behalf of Mitchell Charlesworth (Audit) Limited

Statutory Auditor

Suites C,D,E,F, 14th Floor
The Plaza
100 Old Hall Street
Liverpool
Merseyside, L3 9QJ

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31st March 2025

Summary Income and Expenditure Account

	Notes	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Income from:					
Donations and legacies	2	7,892	-	7,892	8,448
Charitable activities	3	1,284,246	998,821	2,283,067	1,800,393
Total income		<u>1,292,138</u>	<u>998,821</u>	<u>2,290,959</u>	<u>1,808,841</u>
Expenditure on:					
Charitable activities	4	1,169,586	636,495	1,806,081	1,743,768
Total expenditure		<u>1,169,586</u>	<u>636,495</u>	<u>1,806,081</u>	<u>1,743,768</u>
Net income/(expenditure) for the year	7	122,552	362,326	484,878	65,073
Transfer between funds		(68,373)	68,373	-	-
Total funds brought forward		<u>385,317</u>	<u>71,050</u>	<u>456,367</u>	<u>391,294</u>
Total funds carried forward		<u>439,496</u>	<u>501,749</u>	<u>941,245</u>	<u>456,367</u>

The charity has no recognised gains or losses other than the results for the year as set out above. All activities of the charity are classed as continuing.

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31st March 2025

Comparative information for the year ended 31st March 2024

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income from:					
Donations and legacies	2	8,448	-	8,448	3,732
Charitable activities	3	1,301,429	498,964	1,800,393	1,515,939
Total income		1,309,877	498,964	1,808,841	1,519,671
Expenditure on:					
Charitable activities	4	1,114,558	629,210	1,743,768	1,556,220
Total expenditure		1,114,558	629,210	1,743,768	1,556,220
Net income/(expenditure) for the year	7	195,319	(130,246)	65,073	(36,549)
Total funds brought forward		189,998	201,296	391,294	427,843
Total funds carried forward		385,317	71,050	456,367	391,294

The charity has no recognised gains or losses other than the results for the year as set out above. All activities of the charity are classed as continuing.

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Balance Sheet 31st March 2025

	Notes	2025		2024	
		£	£	£	£
Fixed assets					
Tangible assets	10		122,066		168,219
Current assets					
Debtors	11	52,121		93,183	
Cash at bank and in hand		<u>812,977</u>		<u>323,160</u>	
		865,098		416,343	
Creditors					
Amounts falling due within one year	12	<u>(39,058)</u>		<u>(111,682)</u>	
Net current (liabilities)/assets			<u>826,040</u>		<u>304,661</u>
Total assets less current liabilities			948,106		472,880
Creditors					
Amounts falling due in greater than one year	13		<u>(6,861)</u>		<u>(16,513)</u>
			<u>941,245</u>		<u>456,367</u>
Funds					
Unrestricted funds					
General funds	17		439,496		385,317
Restricted funds	18		<u>501,749</u>		<u>71,050</u>
Total funds	19		<u>941,245</u>		<u>456,367</u>

The accounts on pages 18 to 32 were approved by the trustees and authorised for issue on 24 December 2025 and signed on their behalf by:-



M Ord
Trustee

Company Registration Number: 4241965

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Cash Flows for the year ended 31st March 2025

	Notes	2025		2024	
		£	£	£	£
Cash flow from operating activities	22		503,765		104,939
Cash flow from investing activities					
Payments to acquire tangible fixed assets		<u>(3,300)</u>		<u>(22,010)</u>	
Net cash flow from investing activities			(3,300)		(22,010)
Cash flow from financing activities					
Repayments of loans		(9,398)		(10,058)	
Interest paid		<u>(1,250)</u>		<u>(1,250)</u>	
Net cash flow from financing activities			<u>(10,648)</u>		<u>(11,308)</u>
Change in cash and cash equivalents in the year ending 31st March 2025			489,817		71,621
Cash and cash equivalents as at 1st April 2024			<u>323,160</u>		<u>251,539</u>
Cash and cash equivalents as at 31st March 2025			<u><u>812,977</u></u>		<u><u>323,160</u></u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts
Year ended 31st March 2025

1. Summary of significant accounting policies

(a) General information and basis of preparation

Five Children and Families Trust is a company limited by guarantee and a registered charity in the United Kingdom. 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. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees' Report on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. In some instances these funds are designated by the trustees for specific purposes.

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

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2025

1. Summary of significant accounting policies (continued)

(c) Income recognition (continued)

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to special performance conditions and is recognised as earned as the related services are provided. Grant income included in this category provides funding to support performance activities and is recognised when there is entitlement, certainty of receipt and the amounts can be measured with sufficient reliability.

Investment income is earned through holding assets for investment purposes such as bank deposits. It essentially includes interest which is recognised using the effective interest method.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes expenditure for running the Children Centre and activities provided therein.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Children's Centre. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with the use of the resources.

The analysis of these costs is included in note 5.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Building improvements	-	10% per annum
Fixtures and fittings	-	25% per annum

(g) Investments

Investments are recognised at fair value which is normally the transaction price excluding transaction costs, less impairment.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts
Year ended 31st March 2025

1. Summary of significant accounting policies (continued)

(h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(i) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

(j) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(k) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(l) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(m) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(n) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts
Year ended 31st March 2025

2. Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Donations and other sundry income	7,892	-	7,892	8,448
	<u>7,892</u>	<u>-</u>	<u>7,892</u>	<u>8,448</u>

The income in 2024 was attributed to unrestricted funds.

3. Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2025 £	Total 2024 £
Children's Centres - Liverpool City Council	-	377,562	377,562	383,937
Nursery income	1,160,141	-	1,160,141	1,135,799
Letting of Centre	44,103	-	44,103	41,370
Health and wellbeing	-	309,952	309,952	115,027
Kids Club	-	261,700	261,700	95,234
Other	80,002	49,607	129,609	29,026
	<u>1,284,246</u>	<u>998,821</u>	<u>2,283,067</u>	<u>1,800,393</u>

£498,964 of the above income in 2024 was attributed to restricted funds and £1,301,429 of the above income in 2024 was attributed to unrestricted funds.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2025

4. Analysis of expenditure on charitable activities	Direct costs £	Support costs £	Total 2025 £	Total 2024 £
Children's Centres	310,833	66,729	377,562	523,786
Nursery	922,623	122,647	1,045,270	972,163
Health and wellbeing	106,885	14,210	121,095	145,143
Building and support	81,152	10,788	91,940	77,600
Kids Club	54,633	7,263	61,896	7,178
Other	95,608	12,710	108,318	17,898
	<u>1,571,734</u>	<u>234,347</u>	<u>1,806,081</u>	<u>1,743,768</u>

£636,495 (2024 £629,210) of the above costs were attributed to restricted funds and £1,169,586 (2024 £1,114,558) of the above costs were attributed to unrestricted funds.

5. Support costs	Total 2025 £	Total 2024 £
Premises costs	144,665	115,516
Depreciation	49,453	47,828
Office costs	24,188	13,786
Legal and professional	4,794	6,392
Information technology	138	565
Other	519	8,202
Governance costs (note 6)	10,590	9,263
	<u>234,347</u>	<u>201,552</u>

6. Governance costs	Total 2025 £	Total 2024 £
Fees payable to the charity's auditor (and its associates) for the audit of the charity's annual accounts	10,590	9,263
	<u>10,590</u>	<u>9,263</u>

7. Net incoming/(outgoing)resources for the year	Total 2025 £	Total 2024 £
This is stated after charging:	£	£
Depreciation	49,453	47,828
Audit fee	10,590	9,263

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2025

8. Staff costs and numbers	Total 2025 £	Total 2024 £
Salaries and wages	1,269,656	1,138,359
Social security costs	92,436	70,432
Other pension costs	34,590	30,165
	<u>1,396,682</u>	<u>1,238,956</u>

There are no employees earning at the rate of £60,000 or more per annum.

The average weekly number of employees during the year, was as follows:-

	2025 Number	2024 Number
Total	68	69

9. Trustees' and key management

The trustees received remuneration during the year totalling £Nil (2024 - £Nil). No expenses (2024 - £Nil) were reimbursed to any trustees (2024 - £Nil) during the year.

The total amount of employee benefits received by key management personnel is £250,429 (2024 £239,259).

The charity considers its key management personnel to comprise the Programme Director, Deputy Children's Centre Manager, Building Manager and Team Leader, the Finance Manager and two Nursery Managers.

10. Tangible fixed assets	Building improvements £	Fixtures and equipment £	Total £
Cost			
At 1st April 2024	539,494	156,199	695,693
Additions	-	3,300	3,300
	<u>539,494</u>	<u>159,499</u>	<u>698,993</u>
31st March 2025			
Depreciation			
At 1st April 2024	387,692	139,782	527,474
Charge for the year	43,109	6,344	49,453
	<u>430,801</u>	<u>146,126</u>	<u>576,927</u>
At 31st March 2025			
Net book value			
At 31st March 2025	<u>108,693</u>	<u>13,373</u>	<u>122,066</u>
At 31st March 2024	<u>151,802</u>	<u>16,417</u>	<u>168,219</u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2025

11. Debtors	2025	2024
	£	£
Trade debtors	52,121	93,183
	<u> </u>	<u> </u>

12. Creditors: Amounts falling due within one year	2025	2024
	£	£
Bank loan	10,352	10,098
Trade creditors	5,969	17,934
Accruals and deferred income	22,737	83,650
	<u> </u>	<u> </u>
	39,058	111,682
	<u> </u>	<u> </u>

13. Creditors: Amounts falling due after more than one year	2025	2024
	£	£
Bank loan	6,861	16,513
	<u> </u>	<u> </u>

The charity took out a loan from Barclays Bank plc under the terms of the Covid Bounce Back loan scheme. The loan is unsecured, is repayable by October 2026 and interest is currently charged at 2.5% per annum.

14. Maturity of debt

Creditors include finance capital which is due for repayment as follows:-

Amounts repayable:-	2025	2024
	£	£
In one year or less or on demand	10,352	10,098
In more than one year but not more than two years	6,861	10,353
In two to five years	-	6,160
	<u> </u>	<u> </u>
	17,213	26,611
	<u> </u>	<u> </u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2025

15. Capital commitments

There were no capital commitments at 31st March 2025 and 31st March 2024.

16. Members' liability

The company is limited by guarantee and has no share capital. Every member of the Association undertakes to contribute to the assets of the company, in the event of being wound up while he or she is a member or within one year of ceasing to be a member for debts and liabilities of the company contracted before he or she ceases to be a member, such amount as may be required not exceeding £1.

17. Unrestricted funds	As at 01.04.24 £	Income £	Expenditure £	Transfers £	As at 31.03.25 £
General fund	385,317	1,292,138	(1,169,586)	(68,373)	439,496
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Comparative information in respect of the preceding period is as follows:-

	As at 01.04.23 £	Income £	Expenditure £	Transfers £	As at 31.03.24 £
General fund	189,998	1,309,877	(1,114,558)	-	385,317
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
18. Restricted funds	As at 01.04.24 £	Income £	Expenditure £	Transfers £	As at 31.03.25 £
Children's centre grants:					
Children's centre					
- Liverpool City Council	-	367,192	(367,192)	-	-
Garston centre					
- Liverpool City Council	-	10,370	(10,370)	-	-
Nursery grants:					
Liverpool City Council					
Capital Grant 2	27,627	-	(24,000)	68,373	72,000
Bambinis	43,423	261,700	(104,608)	-	200,515
Family Hub	-	309,952	(80,718)	-	229,234
Sundry grants:					
Liverpool City Council					
Projects	-	49,607	(49,607)	-	-
	<u>71,050</u>	<u>998,821</u>	<u>(636,495)</u>	<u>68,373</u>	<u>501,749</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts
Year ended 31st March 2025

18. Restricted funds (continued)

Comparative information in respect of the preceding period is as follows:-

	As at 01.04.23 £	Income £	Expenditure £	As at 31.03.24 £
Children's centre grants:				
Children's centre - Liverpool City Council	-	345,174	(345,174)	-
Garston centre - Liverpool City Council	-	15,097	(15,097)	-
Nursery grants:				
Liverpool City Council Capital Grant 2	61,865	-	(34,238)	27,627
Bambinis	40,281	95,233	(92,091)	43,423
Youth Consortium	-	43,460	(43,460)	-
Sundry grants:				
Liverpool City Council Projects	99,150	-	(99,150)	-
	<u>201,296</u>	<u>498,964</u>	<u>(629,210)</u>	<u>71,050</u>

Children's Centres – Liverpool City Council

This project is funded by the Government through Local Authorities and can only be used for Children's Centre Services as defined and agreed with the Local Authority/Government under a Service Level Agreement.

Liverpool City Council Capital Grant 2

Liverpool City Council awarded a grant for the restructure and expansion of the Nursery. The major works were completed in 2017/18.

Bambinis

Bambinis is a community led initiative working to support women to initiate and sustain breastfeeding. The charity receives funding through a service level agreement with Liverpool City Council to deliver this citywide service operating through Liverpool Women's Hospital Trust and Liverpool Children Centres.

Family Hub

The Family hub programme offers support to families in a community based group from conception up to 19 years of age.

Sundry grants

Liverpool City Council have provided grants to support a number of initiatives to support young people.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2025

19. Analysis of net assets between funds	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	50,066	72,000	122,066
Net current assets	396,291	429,749	826,040
Creditors due after one year	(6,861)	-	(6,861)
Net assets at 31st March 2025	439,496	501,749	941,245

Comparative information in respect of the preceding period is as follows:-

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	140,592	27,627	168,219
Net current assets	261,238	43,423	304,661
Creditors due after one year	(16,513)	-	(16,513)
Net assets at 31st March 2025	385,317	71,050	456,367

20. Related party transactions

There are no related party transactions other than those referred to in note 9 to the accounts.

21. Pension costs

The employers' contributions into the individual pension plans of certain employees amounted to £34,590 (2024 £30,165) and the amount unpaid and included in creditors at 31st March 2025 was £Nil (2024 £Nil).

22. Reconciliation of net income/(expenditure) to net cash flow from Operating activities	Total 2025 £	Total 2024 £
Net income/(expenditure) for the year	484,878	65,073
Depreciation charges	49,453	47,828
Interest payable	1,250	1,250
Decrease / (increase) in debtors	41,062	(35,712)
Increase / (decrease) in creditors	(72,878)	9,442
Net cash flow from operating activities	503,765	104,939

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts
Year ended 31st March 2025

23. Analysis of net debt	At 1 April 2024 £	Cash flows £	Non-cash movements £	At 31 March 2025 £
Cash at bank	322,724	488,385	-	811,109
Cash in hand	436	1,432	-	1,868
	<u>323,160</u>	<u>489,817</u>	<u>-</u>	<u>812,977</u>
Debt due within one year	(10,098)	9,398	(9,652)	(10,352)
Debt due after more than one year	(16,513)	-	9,652	(6,861)
	<u>296,549</u>	<u>499,215</u>	<u>-</u>	<u>795,764</u>

FIVE CHILDREN AND FAMILIES TRUST LTD

England & Wales - Charity number 1112796

Accounts

FIVE CHILDREN AND FAMILIES TRUST LTD
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

for the year ended

31st March 2024

REGISTERED NUMBER: 4241965

CHARITY NUMBER: 1112796



FIVE CHILDREN AND FAMILIES TRUST LTD

Annual Accounts for the year ended 31st March 2024

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FIVE CHILDREN AND FAMILIES TRUST LTD

Company Information 31st March 2024

Company number: 4241965

Charity number: 1112796

Trustees: P R Bostock (Chair)
P M Freeman
M Ord
A Hughes

Secretary: S Roberts

Chief Executive: S Roberts

Registered office: Conleach Road
Speke
Liverpool
L24 0TW

Bankers: Co-operative Bank plc
Po Box 250
Delf House
Southway
Skelmersdale
WN8 6WT

Solicitors: Hill Dickinson LLP
No.1 St. Paul's Square
Liverpool
L3 9SJ

Auditor: Mitchell Charlesworth (Audit) Limited
Accountants
Statutory Auditor
5 Temple Square
Temple Street
Liverpool
L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2024

The trustees (who are also the directors of the company for the purposes of company law) present their report together with the audited accounts of the charity for the year ended 31st March 2024. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Trustees

The trustees who served during the year are detailed on page 1.

A Hughes retires by rotation and being eligible, offers herself for re-election.

Objects and activities

The objects of the charity are to:

- Promote the physical, intellectual and social development and education of pre-school and young children particularly those who are disadvantaged or who have special needs and to ensure that they are ready to flourish when they get to school by working with families, foster and surrogate families and caring for and nurturing children.
- Advance the education of the public in all aspects of the development of young children including speech and language.
- Relieve poverty, sickness and distress among those in necessitous circumstances.
- Relieve unemployment in such ways as may be thought fit including assistance to find employment, and
- Carry out such other exclusively charitable purposes as may be conveniently or advantageously carried out in conjunction with the primary objects.

The charity has the general aim of working in partnership to deliver better outcomes for children and families.

The main objectives for the year continue to be the delivery of our children centre contract, particularly focusing on enhanced family support through our parent mentor project, improving access to employment and the promotion of healthy lifestyles, in particular focusing on mental wellbeing and diet and nutrition.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2024 (continued)

Strategic Report

Achievements and performance

Children Centre Activities

Our Focus on Poverty

1 in 4 children living in the Speke Garston neighbourhood is a child aged under 16; Child poverty stands at 40% for Speke and 36% for Garston.

We know that the concentration of poverty within the Speke district is higher and that families with a child aged under 5 are at an increased of poverty. Data sets have changed but previous analysis indicates that poverty can be as high as 80% within the early year's cohort.

These statistics are reflected in our nursery make slightly over 40% of our total 3 and 4 year cohort are in receipt of pupil premium.

More than a third of our total cohort receive 2 year funding. These places are allocated to families who are on very low incomes. Specifically within the total two year cohort the free places made up 79% of our allocations indicating very high levels of poverty in the early years.

In this financial year we:

- Worked directly with 2,303 individuals requiring support with poverty, this is a 60% increase on the previous year
- This work included distribution of food and fuel vouchers, employability support and referrals to partners for debt advice
- Providing food at our activities
- In addition we distributed £100K of Asda Vouchers across Liverpool Children Centres
- Support to access grants, Disability Living Allowance and childcare funding

Within the year 657 carers and 507 new children registered for our services across our children centres, we worked with 2,061 families with an average of just under 4 contacts per family. We saw 1,266 children aged under 5 year old, 72% of our child contacts are children aged 2 and under. We had a total of 13,963 individual client contacts in year which is consistent with the previous financial year.

Overall in the past two years we have seen a reduction in the percentage of families registered with the Children Centre, accessing our services, however we are delivering more intensive targeted support.

In the context of poverty, 60% of all children seen, live in the 1-5% most deprived communities.

Overall the children centre activities included the following contacts:

- 953 contacts to support healthy weight including a new Infant Feeding service delivered by Alder Hey (28% increase)
- 1667 individual face to face contacts were made for Family support (marginally lower than previous year)
- 177 contacts were specific to a child with special educational needs and or disability
- 288 child contacts were recorded for targeted SEN groups including Early Communication Groups, most of these children were referred to Speech and Language Therapy
- Trends remain positive in terms of the take up of Active Play sessions with 801 contacts recorded this is an increase of 34% contacts recorded
- We delivered community learning courses included Women's Empowerment, Counselling Level 1, SEND Level 3, The Nurturing programme, You and Me Mum, Bump Birth and Beyond, Baby Massage and Early Communication Groups
- Liverpool Women's Hospital Trust had 3,081 contacts antenatal and saw 416 babies for New-born Hearing Screening

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2024 (continued)

Strategic Report (continued)

Our Focus on Poverty (continued)

We continue to work with Statutory and Community this includes:

- Liverpool City Council – Family Hubs, targeted youth service, early help, children services, public health, adult Learning Service etc
- PSS
- Crosby Training
- Citizen’s Advice Liverpool Perinatal Mental Health Service
- Alder Hey Infant Feeding Service
- Shelter
- Kinship Carers Liverpool
- ADHD Foundation
- Merseycare Liverpool
- LWHT
- STEC
- Speke and Garston Adventure Playgrounds
- YPAS
- Alder Hey Perinatal Mental Health Service
- School Improvement Liverpool
- National Trust – Speke
- Social Landlords
- Local Schools and Training providers

Our role as lead organisation for Youth and Play locally came to an end in August 2024 as Liverpool shifted how it funds Youth and Play, returning autonomy to the sector. In the last six months, acting as lead, FCFT assisted in the achievement of £1.4 million Youth Investment Funding and supported with applications to LCC for a five year investment in both Adventure Playgrounds. We continue to support local youth and play providers through board representation, providing support and advice on a range of matters such as HR, Fundraising, and Safeguarding etc.

We have been an active participant in the roll out of LCC Neighbourhood Model and currently lead on a number of task and finish groups related to Neighbourhood priorities, in particular a Thriving Community and Voluntary Sector and Reduction in Anti-social behaviour.

Our New Futures Group continue to support us in our work and in addition both Children Centres now have active parent groups who provide informal support and signposting, support with events and activities and broker in specific training that is wanted and needed by parents.

We were approached in year to support Speke Parents, a parent led group with a broad focus across all ages. The group has arranged a number of thematic talks which have included supporting neuro-diversity, menopause, and school refusers (post Covid). We have provided free accommodation and supported with resources.

Practitioners have been able to access training to deliver a range of new evidence based courses which include Triple P, Welcome to the World, PEEP, Parental Conflict and Lighthouse MBT.

Lighthouse will be delivered as part of a partnership with Alder Hey perinatal services, CAMHS, PSS and FCFT. It is an intensive 20 week programme that is underpinned by mentalisation based therapy as an approach that is supported by the Anna Freud Centre, who shape and lead practice across England’s Family Hub Networks.

We encourage our families to participate in research projects and have supported the Children Growing Up in Liverpool (CGUL) research project, School Improvement Liverpool, development of an ACES strategy and training programme, National Trust – Speke Poverty Proofing project and LCC Housing strategy.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2024 (continued)

Strategic Report (continued)

Five Childcare

We have had a significant setback to our childcare operation. Muddy Footprints Garston remains closed, initially to enable GAP to complete their refurbishment, we received a rental income from them in support of this. More latterly we have raised objections with the Office of Traffic Controller (OTC) and Liverpool City Council (LCC) planning department in relation to a planning application to establish a Builders Yard and Heavy Goods Operating Centre immediately adjacent to the nursery. We believe that if this is approved it will compromise both the safety of children and quality of the care we can offer. We are aware that there is a Public Enquiry planned and we have political support in relation to our objections for the proprietor to be granted an operating license. The CEO for LCC has raised an objection with the OTC.

However LCC has to remain neutral with regard to planning applications. We have taken advice and are confident that the proposal breaches the Liverpool Local Plan 2013-2033 in a number of areas and furthermore the proposal has no strategic significance to the plan.

We have also shifted our children centre delivery to our Muddy Footprints, Parklands site due to issues in relation to the provision of sufficient toilets on site for the nursery operation. This has resulted in a net loss of 19 childcare places in Speke, at a point when we were planning expansion. We are working proactively with LCC Asset Management and Childcare Sufficiency teams to resolve this matter. It is our intention to enter into a 5 year lease once a resolution has been achieved. Our Childcare continues to operate sustainably and we have reduced staffing through natural movement of staff to other roles in the company, although sadly we have lost some practitioners to the early year's sector. We are also mindful of the impact to our community and continue to push for an expedient resolution.

Despite these setbacks, our nursery continues to fully integrate with the work of our children centre and add value to all aspects of our delivery, in particular SEND, parenting, safeguarding and poverty work.

As indicated above they have delivered 76,376 free childcare hours across the year. Levels of children on roll having an identified special educational need, requiring intervention has increased. LCC SEND team acknowledges that levels of need are greater in Speke.

Our Childcare Manager continues to chair the Early Years Consortia, which considers representation from settings in relation to support for SEND children and she is also the representative for South Liverpool Private and Voluntary Sector Nurseries

Our settings continue to embed best practice approaches in relation to enhancing support for children to develop speech, language and communication skills as more than 50% of our children have mild to moderate delay in speech and language at their 2 year Base Line assessment.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2024 (continued)

Public Benefit Statement

The Children Centre contract has a 100% focus on public benefit for children and families in Speke Garston and Cressington wards.

We support working parents with advice and guidance, ensuring maximum take up of childcare tax credits reducing fees by as much as 80% for the majority of parents and currently our ratio of free childcare provision stands at 60% compared to 40% fee paying. FCFT always ensures that fees are kept as low as possible without compromising our business sustainability.

We maintained and built on our links with local businesses who support our Food Poverty Work and would like to thank: AstraZeneca, Fords, Nandos, Asda, Fords, Cash for Kids and Bid Foods all of whom have supported us to ensure families can have access to food and resources throughout the year and in particular over holiday periods.

Through our Children Centre work we also support families to access resources through other charitable trusts and we are working with Torus Housing to distribute fuel vouchers to families. Our SEND Link workers also assist with the preparation of Disability Living Allowance applications and appeals on behalf of children with Special Educational Needs and Disability (SEND). We actively advocate on behalf of SEND children in terms of ensuring they are able to access support through the early year's consortia and ensure Education and Health Care Plans are in place prior to them starting school.

We continue to provide free training and consultancy to other local community organisations and groups on policy development, HR matters, funding and Safeguarding Children.

Risk management

The risk assessment register has been updated including any risks associated with new proposals. A summary of key risks is set out below whilst the likelihood of Covid 19 continuing to have the level of impact at the height of the pandemic the Board feels that it is important to include the risk of a significant outbreak of this or any other emergent viruses not withstanding coronavirus mutations and or potential new contagion:

Significant Viral Contagion – risk to employees:

- Full and immediate individual risk assessment of all staff, in particular those considered as vulnerable to viral infection
- Board and SMT commitment to maintain 100% of salary payments providing this does not pose a wider financial business risk.
- Work at home and in work protocols in place
- Risk assessments agreed based on Department for Education and Local Authority guidelines

Significant Viral Contagion - financial Impact:

- Government committed to maintaining early years funding
- Funding for all children centre posts maintained through Local Authority
- Review any Government support available
- Deployment of staff to ensure all aspects of the business function

Significant Viral Contagion - community impact:

- Children centre and childcare staff identified as "Critical Workers" all settings to remain open to the public
- All children unable to attend childcare provided with regular key person contact and home working packs
- Working practices have been updated to ensure regular contact through new mediums this includes, delivery of Zoom Sessions, regular welfare calls, provision of food and vouchers, 1:1 contact, delivery of activity packs, maintenance of antenatal services
- Strong community links established ensure the centre can operate for wider community benefit
- Regular review of all risk assessments to ensure staff and community safety at all times

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2024 (continued)

Achievements and performance (continued)

Risk management (continued)

Loss of revenues:

- Ongoing joint working across Liverpool Children Centre Network to support joint income generation
- New tenancies have been maintained
- Review of childcare waiting lists and allocations process
- Review of nursery group structure and staffing
- Regular meetings of SMT to ensure places are maximised across the group network
- Work to support Garston Adventure Playground will result in rental revenues for Muddy Footprints
- Current plans are in place to create Family Hubs providing longer term security for Children centres and potential for increased revenues and wide community benefit

Increase in competition base for childcare

- All settings are graded good settings by Ofsted.
- Childcare participate in achievement of externally verified quality assurance schemes
- Ambitious targets negotiated to ensure we achieve good outcomes for children
- Ability to respond effectively and flexibly to 30 hours free funding for working parents

Changes to Children Centre's and Childcare Inspection Frameworks

- Centre works closely with Local Authority Quality Improvement Officers and Children Centre Central Service Team
- Staff qualifications include Qualified Teacher Status, Early Years Practitioner and a high number of graduate qualifications across the organisation
- SMT participate in a number of peer support networks to explore best practice approaches
- All existing policy, procedure, practice and information systems have been reviewed in line with proposed changes
- Board and SMT have revised curriculum intent which is consistent with our community aspiration and context
- SMT and whole staff supervision and appraisal is in place
- All nursery settings have been inspected under the new framework and have been graded Good

Lack of opportunity to build up adequate reserves in line with the organisations reserves policy

- LCC will underwrite any potential redundancy of core children centre staff
- Nursery recovery plan demonstrated increased income
- Terms and conditions have been reviewed in year
- Government has introduced a Flexible Support Fund enabling parents to pay upfront childcare costs
- Government implementation of free childcare for children of working parents aged 9 months to 4 years

Potential significant maintenance requirements arise in relation to the Children Centre Asset

- Centre implements a regular maintenance programme
- Ability to draw down some capital budget through LCC
- Reviewed tenancy agreements
- SLH are amenable to discussion in relation to asset transfer in 2024

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2024 (continued)

Risk management (continued)

Failure to adequately safeguard children:

- Maintain robust policy implementation
- Regular review of safeguarding policy and practice through case management systems and audit arrangements
- Completion of childcare safeguarding audits on all sites
- Participation in multi-agency networks
- Participation in Liverpool Safeguarding Partnership training programme and policy update service
- Raising community awareness regarding keeping children safe
- Staff, volunteers and board receive appropriate safeguarding training
- SMT representatives support Liverpool Safeguarding Children's Board with dissemination of training

Loss of key staff and pressures arising on the SMT

- Focus on team development
- Identified staff undertaking graduate qualifications
- Succession planning in place

Financial review

The accounts show an increase in income of £289,170 to £1,808,841 (2023 £1,519,671).

The trustees report a surplus of £65,073 (2023 deficit £36,549). This represents a deficit of £130,246 (2023 deficit £148,624) on restricted funds and a surplus of £195,319 (2023 deficit £112,075) on unrestricted funds.

Investments powers and policy

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

Policy on remuneration of key management personnel

The charity is committed to ensuring that we pay our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives.

The Board undertakes an annual review of salaries with the CEO in attendance, although the CEO does not participate in the discussions around their own salary. All salary reviews take account of the broader financial position of the organisation.

When carrying out its reviews, the Board has regard to:

- Industry benchmarks, including the pay grades of similar roles within the local authority, where services are commissioned by those bodies;
- making sure that pay rates are competitive within the sector;
- the remuneration package as a whole including pension contributions; and
- rewarding good performance.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2024 (continued)

Reserves policy

The charity's reserves policy is to build up an unrestricted reserve sufficient to enable the charity's activities to be continued for a period of 3 months should regular funding be reduced or become unobtainable.

This would provide the trustees with sufficient time to consider how the operations of the charity could be developed to enable its services to continue to be provided given the levels of funding available.

At present this level of reserves is realistically unobtainable but the trustees are looking at ways of increasing its incoming resources that would enable unrestricted reserves to be built up over a period of time.

Our business strategy is focused on the creation of a mixed economy that is:

- Less reliant on grant or a single source of income
- Builds on our existing enterprise portfolio and the creation of unrestricted reserves
- Ensures that all projects are based on the principles of full cost recovery

The build-up of a financial reserve is clearly linked to organisational performance and is wholly dependent on the organisation's ability to respond, develop and innovate within the context of our enterprise work.

This is consistent with our business mission:

"We will grow our services, innovatively, profitably and in accordance with our charitable mission."

In building sufficient reserves, we will be able to respond to potential risks and contingencies that may arise from time to time enabling us to meet financial risks associated with any contingency or uncertainty relating to the charity's operating activities. These include:

- The provision for an orderly winding-down of operations in the event of a significant adverse event that is outside the control of the charity.
- Shifts in legislation that may affect existing services provided for by the charity.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2024 (continued)

Structure, governance and management

Post balance sheet events

There are no significant post balance sheet events to report.

Governing document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 27th June 2001 as amended on 2nd March 2006 to allow for current governance arrangements.

The company was registered as a charity on 23rd January 2006.

Membership of the charity is open to individuals or organisations who qualify in accordance with the policy and criteria for admission of members made by the trustees.

Organisation

The board of trustees, which can have up to 9 members, administers the charity. The board meets at least four times a year and there are sub-committees covering finance, nominations and human resources.

A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Board has delegated authority to the Chief Executive for all operational matters including finance, employment and performance related activity.

Appointment of trustees

As set out in the Articles of Association the nominations committee will advise the charity on:

- Identification and selection of new trustees and making nominations to the AGM for the appointment of new trustees.
- Policy, criteria and other matters relating to membership of the charity.
- Appointment of the Chair, Deputy Chair, Treasurer and any other office holders.

The nominations committee has delegated authority to carry out its role detailed above and to make such nominations as it sees fit.

The charity is committed to the full involvement of parents in its strategic development and we would always seek to have a third of our membership made up of local parents. Currently 50% of the board is made up of local parents.

The trustees have the power to co-opt any person duly qualified to be appointed as a trustee to fill a vacancy in their number or as an additional trustee but a co-opted trustee holds office only until the next AGM.

All members are circulated with the invitations to nominate trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM.

Nominees appointed by Liverpool City Council and Liverpool Primary Care Trust are subject to the appointment processes of those bodies and the guidelines on appointment to public office as they apply to Local Government and Department of Health nominees.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2024 (continued)

Structure of Trustee induction and training

New trustees undergo an induction to brief them on:

- Their legal obligations under charity and company law.
- The content of the Memorandum and Articles of Association.
- Decision making processes.
- The business plan.
- Recent financial performance of the charity.
- The Code of Conduct for Board Members.
- Their responsibilities for safeguarding children.

During the induction period board members arrangements are made for them to meet key employees and other trustees.

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. The charity ensures adequate funds are available for trustees to undertake training in relation to their roles and responsibilities.

Statement of trustees' responsibilities

The trustees (who are also directors of Five Children and Families Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable 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 2019 (FRS 102);
- make judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2024 (continued)

Trustees' statement of disclosure of information to the auditors

Each of the persons who is a trustee at the date of approval of this report confirm in so far as they are aware that:

- 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 auditors are aware of that information.

By Order of the Trustees



M Ord
Trustee

20 December 2024

Mitchell Charlesworth (Audit) Limited

Accountants

5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd

For the year ended 31st March 2024

Opinion

We have audited the financial statements of Five Children and Families Trust Ltd (the 'charitable company') for the year ended 31st March 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Mitchell Charlesworth (Audit) Limited

Accountants

5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

**Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd**

For the year ended 31st March 2024 [Continued]

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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Accountants

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FIVE CHILDREN AND FAMILIES TRUST LTD

**Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd**

For the year ended 31st March 2024 [Continued]

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- the charitable company's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and members of the Board of Trustees of their own identification of and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:

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FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd

For the year ended 31st March 2024 [Continued]

Identifying and assessing potential risks related to irregularities (continued)

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the charity's Statement of Financial Activities, (ii) the charity's accounting policy for revenue recognition, and (iii) the overstatement of salary and other costs. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and the Statement of Recommended Practice - 'Accounting and Reporting by Charities' issued by the joint SORP making body.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included Safeguarding and Data Protection regulations.

Audit response to risks identified

As a result of performing the above, we identified the presentation of the charitable company's Statement of Financial Activities, revenue recognition and overstatement of wages and other costs as the key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the Board of Trustees concerning actual and potential litigation and claims;

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FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd

For the year ended 31st March 2024 [Continued]

Audit response to risks identified (continued)

- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mitchell Charlesworth (Audit) Limited

Mr Philip Griffiths
Senior Statutory Auditor

24 December 2024

On behalf of Mitchell Charlesworth (Audit) Limited
Statutory Auditor

3rd Floor
5 Temple Square
Temple Street
Liverpool
Merseyside L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31st March 2024

Summary Income and Expenditure Account

	Notes	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Income from:					
Donations and legacies	2	8,448	-	8,448	3,732
Charitable activities	3	<u>1,301,429</u>	<u>498,964</u>	<u>1,800,393</u>	<u>1,515,939</u>
Total income		<u>1,309,877</u>	<u>498,964</u>	<u>1,808,841</u>	<u>1,519,671</u>
Expenditure on:					
Charitable activities	4	<u>1,114,558</u>	<u>629,210</u>	<u>1,743,768</u>	<u>1,556,220</u>
Total expenditure		<u>1,114,558</u>	<u>629,210</u>	<u>1,743,768</u>	<u>1,556,220</u>
Net income/(expenditure) for the year	7	195,319	(130,246)	65,073	(36,549)
Total funds brought forward		<u>189,998</u>	<u>201,296</u>	<u>391,294</u>	<u>427,843</u>
Total funds carried forward		<u>385,317</u>	<u>71,050</u>	<u>456,367</u>	<u>391,294</u>

The charity has no recognised gains or losses other than the results for the year as set out above. All activities of the charity are classed as continuing.

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31st March 2024

Comparative information for the year ended 31st March 2023

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income from:					
Donations and legacies	2	3,732	-	3,732	37,671
Charitable activities	3	998,475	517,464	1,515,939	1,572,865
Total income		<u>1,002,207</u>	<u>517,464</u>	<u>1,519,671</u>	<u>1,610,536</u>
Expenditure on:					
Charitable activities	4	890,132	666,088	1,556,220	1,543,852
Total expenditure		<u>890,132</u>	<u>666,088</u>	<u>1,556,220</u>	<u>1,543,852</u>
Net income/(expenditure) for the year	7	112,075	(148,624)	(36,549)	66,684
Total funds brought forward		<u>77,923</u>	<u>349,920</u>	<u>427,843</u>	<u>361,159</u>
Total funds carried forward		<u>189,998</u>	<u>201,296</u>	<u>391,294</u>	<u>427,843</u>

The charity has no recognised gains or losses other than the results for the year as set out above. All activities of the charity are classed as continuing.

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Balance Sheet 31st March 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	10		168,219		194,037
Current assets					
Debtors	11	93,183		64,471	
Cash at bank and in hand		<u>323,160</u>		<u>251,539</u>	
		416,343		316,010	
Creditors					
Amounts falling due within one year	12	<u>(111,682)</u>		<u>(91,933)</u>	
Net current (liabilities)/assets			<u>304,661</u>		<u>224,077</u>
Total assets less current liabilities			472,880		418,114
Creditors					
Amounts falling due in greater than one year	13		<u>(16,513)</u>		<u>(26,820)</u>
			456,367		391,294
Funds					
Unrestricted funds					
General funds	17		385,317		189,998
Restricted funds					
	18		<u>71,050</u>		<u>201,296</u>
Total funds	19		<u>456,367</u>		<u>391,294</u>

The accounts on pages 18 to 32 were approved by the trustees and authorised for issue on 20 December 2024 and signed on their behalf by:-



M Ord
Trustee

Company Registration Number: 4241965

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Cash Flows for the year ended 31st March 2024

	Notes	2024		2023	
		£	£	£	£
Cash flow from operating activities	22		104,939		(40,815)
Cash flow from investing activities					
Payments to acquire tangible fixed assets		<u>(22,010)</u>		<u>(11,181)</u>	
Net cash flow from investing activities			(22,010)		(11,181)
Cash flow from financing activities					
Repayments of loans		(10,058)		(23,438)	
Interest paid		<u>(1,250)</u>		<u>(1,874)</u>	
Net cash flow from financing activities			<u>(11,308)</u>		<u>(25,312)</u>
Change in cash and cash equivalents in the year ending 31st March 2024			71,621		(77,308)
Cash and cash equivalents as at 1st April 2023			<u>251,539</u>		<u>328,847</u>
Cash and cash equivalents as at 31st March 2024			<u><u>323,160</u></u>		<u><u>251,539</u></u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2024

1. Summary of significant accounting policies

(a) General information and basis of preparation

Five Children and Families Trust is a company limited by guarantee and a registered charity in the United Kingdom. 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. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees' Report on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. In some instances these funds are designated by the trustees for specific purposes.

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

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts
Year ended 31st March 2024

1. Summary of significant accounting policies (continued)

(c) Income recognition (continued)

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to special performance conditions and is recognised as earned as the related services are provided. Grant income included in this category provides funding to support performance activities and is recognised when there is entitlement, certainty of receipt and the amounts can be measured with sufficient reliability.

Investment income is earned through holding assets for investment purposes such as bank deposits. It essentially includes interest which is recognised using the effective interest method.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes expenditure for running the Children Centre and activities provided therein.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Children's Centre. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with the use of the resources.

The analysis of these costs is included in note 5.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Building improvements	-	10% per annum
Fixtures and fittings	-	25% per annum

(g) Investments

Investments are recognised at fair value which is normally the transaction price excluding transaction costs, less impairment.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts
Year ended 31st March 2024

1. Summary of significant accounting policies (continued)

(h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(i) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

(j) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(k) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(l) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(m) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(n) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2024

2. Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Donations and other sundry income	8,448	-	8,448	-
Covid support grants	-	-	-	3,732
	<u>8,448</u>	<u>-</u>	<u>8,448</u>	<u>3,732</u>

£3,732 of the above income in 2023 was attributed to restricted funds.

3. Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2024 £	Total 2023 £
Children's Centres - Liverpool City Council	-	383,937	383,937	345,982
Nursery income	1,135,799	-	1,135,799	805,629
Letting of Centre	41,370	-	41,370	41,484
Health and wellbeing	-	115,027	115,027	180,628
Kids Club	95,234	-	95,234	67,134
Other	29,026	-	29,026	75,082
	<u>1,301,429</u>	<u>498,964</u>	<u>1,800,393</u>	<u>1,515,939</u>

£517,464 of the above income in 2023 was attributed to restricted funds and £998,475 of the above income in 2023 was attributed to unrestricted funds.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2024

4. Analysis of expenditure on charitable activities	Direct costs £	Support costs £	Total 2024 £	Total 2023 £
Children's Centres	399,067	124,719	523,786	284,709
Nursery	913,281	58,882	972,163	756,006
Health and wellbeing	145,143	-	145,143	242,971
Building and support	68,165	9,435	77,600	133,200
Kids Club	7,178	-	7,178	56,296
Other	9,382	8,516	17,898	83,038
	<u>1,542,216</u>	<u>201,552</u>	<u>1,743,768</u>	<u>1,556,220</u>

£629,210 (2023 £666,088) of the above costs were attributed to restricted funds and £1,114,558 (2023 £890,132) of the above costs were attributed to unrestricted funds.

5. Support costs	Total 2024 £	Total 2023 £
Staff and volunteer costs	-	112
Premises costs	115,516	68,676
Depreciation	47,828	57,340
Office costs	13,786	14,007
Legal and professional	6,392	5,620
Information technology	565	251
Other	8,202	8,421
Governance costs (note 6)	9,263	9,035
	<u>201,552</u>	<u>163,462</u>

6. Governance costs	Total 2024 £	Total 2023 £
Fees payable to the charity's auditor (and its associates) for the audit of the charity's annual accounts	9,263	9,035
	<u>9,263</u>	<u>9,035</u>

7. Net incoming/(outgoing)resources for the year	Total 2024 £	Total 2023 £
This is stated after charging:		
Depreciation	47,828	57,340
Audit fee	9,263	9,035

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2024

8. Staff costs and numbers	Total 2024 £	Total 2023 £
Salaries and wages	1,138,359	1,017,669
Social security costs	70,432	66,914
Other pension costs	30,165	26,744
	<u>1,238,956</u>	<u>1,111,327</u>

There are no employees earning at the rate of £60,000 or more per annum.

The average weekly number of employees during the year, was as follows:-

	2024 Number	2023 Number
Total	69	67

9. Trustees' and key management

The trustees received remuneration during the year totalling £Nil (2023 £Nil). No expenses (2023 £Nil) were reimbursed to any trustees (2023 - 0) during the year.

The total amount of employee benefits received by key management personnel is £239,259 (2023 £231,748).

The charity considers its key management personnel to comprise the Programme Director, Deputy Children's Centre Manager, Building Manager and Team Leader, the Finance Manager and two Nursery Managers.

10. Tangible fixed assets	Building improvements £	Fixtures and equipment £	Total £
Cost			
At 1st April 2023	528,424	145,259	673,683
Additions	11,070	10,940	22,010
	<u>539,494</u>	<u>156,199</u>	<u>695,693</u>
31st March 2024			
Depreciation			
At 1st April 2023	346,135	133,511	479,646
Charge for the year	41,557	6,271	47,828
	<u>387,692</u>	<u>139,782</u>	<u>527,474</u>
At 31st March 2024			
Net book value			
At 31st March 2024	151,802	16,417	168,219
	<u>151,802</u>	<u>16,417</u>	<u>168,219</u>
At 31st March 2023	182,289	11,748	194,037
	<u>182,289</u>	<u>11,748</u>	<u>194,037</u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2024

11. Debtors	2024 £	2023 £
Trade debtors	93,183	64,471
	<u>93,183</u>	<u>64,471</u>
12. Creditors: Amounts falling due within one year	2024 £	2023 £
Bank loan	10,098	9,849
Trade creditors	17,934	10,702
Accruals and deferred income	83,650	70,020
Social security and other taxes	-	1,362
	<u>111,682</u>	<u>91,933</u>
	<u>111,682</u>	<u>91,933</u>
13. Creditors: Amounts falling due after more than one year	2024 £	2023 £
Bank loan	16,513	26,820
	<u>16,513</u>	<u>26,820</u>
	<u>16,513</u>	<u>26,820</u>

The charity took out a loan from Barclays Bank plc under the terms of the Covid Bounce Back loan scheme. The loan is unsecured, is repayable by October 2026 and interest is currently charged at 2.5% per annum.

14. Maturity of debt

Creditors include finance capital which is due for repayment as follows:-

Amounts repayable:-	2024 £	2023 £
In one year or less or on demand	10,098	9,849
In more than one year but not more than two years	10,353	10,098
In two to five years	6,160	16,722
	<u>26,611</u>	<u>36,669</u>
	<u>26,611</u>	<u>36,669</u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2024

15. Capital commitments

There were no capital commitments at 31st March 2024 and 31st March 2023.

16. Members' liability

The company is limited by guarantee and has no share capital. Every member of the Association undertakes to contribute to the assets of the company, in the event of being wound up while he or she is a member or within one year of ceasing to be a member for debts and liabilities of the company contracted before he or she ceases to be a member, such amount as may be required not exceeding £1.

17. Unrestricted funds	As at 01.04.23 £	Income £	Expenditure £	As at 31.03.24 £
General fund	189,998	1,309,877	(1,114,558)	385,317
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Comparative information in respect of the preceding period is as follows:-

	As at 01.04.22 £	Income £	Expenditure £	As at 31.03.23 £
General fund	77,923	1,002,207	(890,132)	189,998
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
18. Restricted funds	As at 01.04.23 £	Income £	Expenditure £	As at 31.03.24 £
Children's centre grants:				
Children's centre - Liverpool City Council	-	345,174	(345,174)	-
Garston centre - Liverpool City Council	-	15,097	(15,097)	-
Nursery grants:				
Liverpool City Council Capital Grant 2	61,865	-	(34,238)	27,627
Bambinis	40,281	95,233	(92,091)	43,423
Youth Consortium	-	43,460	(43,460)	-
Sundry grants:				
Liverpool City Council Projects	99,150	-	(99,150)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	201,296	498,964	(629,210)	71,050
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts
Year ended 31st March 2024

18. Restricted funds (continued)

Comparative information in respect of the preceding period is as follows:-

	As at 01.04.22 £	Income £	Expenditure £	As at 31.03.23 £
Children's centre grants:				
Children's centre - Liverpool City Council	-	333,853	(333,853)	-
Garston centre - Liverpool City Council	-	9,759	(9,759)	-
Nursery grants:				
Liverpool City Council Capital Grant 2	102,932	-	(41,067)	61,865
DHL UK Foundation	1,500	-	(1,500)	-
Bambinis	37,286	85,626	(82,631)	40,281
Youth Consortium	-	85,856	(85,856)	-
Sundry grants:				
Liverpool City Council Projects	199,150	-	(100,000)	99,150
Autism - Liverpool City Council	5,000	-	(5,000)	-
Hardship fund	4,052	-	(4,052)	-
Other	-	2,370	(2,370)	-
	<u>349,920</u>	<u>517,464</u>	<u>(666,088)</u>	<u>201,296</u>

Children's Centre – Liverpool City Council

This project is funded by the Government through Local Authorities and can only be used for Children's Centre Services as defined and agreed with the Local Authority/Government under a Service Level Agreement.

Nursery and Kids Club (Childcare Provision)

We operate a 0 – 5 year old nursery alongside a 4 – 12 year old Kids Club. Grant funding has been received to develop and enhance Childcare provision and staff training together with Nursery Educational Fund. This is paid from the Local Authority but forms part of an individual entitlement for all children aged 3-4 to receive 15 hours free childcare. Similarly we have been in receipt of a fund piloting the same entitlement for 2 year olds and this programme is now being launched nationally.

Liverpool City Council Capital Grant

Liverpool City Council awarded a grant for the restructure and expansion of the Nursery. The major works were completed in 2013/14.

DHL UK Foundation

DHL provided a total of £15,000 as a contribution towards alterations to the Nursery space.

Bambinis

Bambinis is a community led initiative working to support women to initiate and sustain breastfeeding. The charity receives funding through a service level agreement with Liverpool City Council to deliver this citywide service operating through Liverpool Women's Hospital Trust and Liverpool Children Centres.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2024

19. Analysis of net assets between funds	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	140,592	27,627	168,219
Net current assets	261,238	43,423	304,661
Creditors due after one year	(16,513)	-	(16,513)
Net assets at 31st March 2024	385,317	71,050	456,367

Comparative information in respect of the preceding period is as follows:-

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	132,172	61,865	194,037
Net current assets	84,646	139,431	224,077
Creditors due after one year	(26,820)	-	(26,820)
Net assets at 31st March 2023	189,998	201,296	391,294

20. Related party transactions

There are no related party transactions other than those referred to in note 9 to the accounts.

21. Pension costs

The employers' contributions into the individual pension plans of certain employees amounted to £30,165 (2023 £26,744) and the amount unpaid and included in creditors at 31st March 2024 was £Nil (2023 £Nil).

22. Reconciliation of net income/(expenditure) to net cash flow from Operating activities	Total 2024 £	Total 2023 £
Net income/(expenditure) for the year	65,073	(36,549)
Depreciation charges	47,828	57,340
Interest payable	1,250	1,874
Decrease / (increase) in debtors	(35,712)	1,286
Increase / (decrease) in creditors	9,442	(64,766)
Net cash flow from operating activities	104,939	(40,815)

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2024

23. Analysis of net debt	At 1 April 2023 £	Cash flows £	Non-cash movements £	At 31 March 2024 £
Cash at bank	249,004	73,720	-	322,724
Cash in hand	2,535	(2,099)	-	436
	<u>251,539</u>	<u>71,621</u>	-	323,160
Debt due within one year	(9,848)	10,057	(10,307)	(10,098)
Debt due after more than one year	(26,820)	-	10,307	(16,513)
	<u>214,871</u>	<u>81,678</u>	-	<u>296,549</u>

FIVE CHILDREN AND FAMILIES TRUST LTD

England & Wales - Charity number 1112796

Accounts

FIVE CHILDREN AND FAMILIES TRUST LTD
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

for the year ended

31st March 2023

REGISTERED NUMBER: 4241965

CHARITY NUMBER: 1112796

FIVE CHILDREN AND FAMILIES TRUST LTD

Accounts

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FIVE CHILDREN AND FAMILIES TRUST LTD

Company Information

31st March 2023

Company number:	4241965
Charity number:	1112796
Trustees:	P R Bostock (Chair) B Prescott (resigned 7 June 2022) P M Freeman M Ord A Hughes
Secretary:	S Roberts
Chief Executive:	S Roberts
Registered office:	Conleach Road Speke Liverpool L24 0TW
Bankers:	Co-operative Bank plc Po Box 250 Delf House Southway Skelmersdale WN8 6WT
Solicitors:	Hill Dickinson LLP No.1 St. Paul's Square Liverpool L3 9SJ
Auditor:	Mitchell Charlesworth (Audit) Limited Accountants Statutory Auditor 5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2023

The trustees (who are also the directors of the company for the purposes of company law) present their report together with the audited accounts of the charity for the year ended 31st March 2023. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Trustees

The trustees who served during the year are detailed on page 1.

B Prescott resigned on 7 June 2022.

A Hughes retires by rotation and being eligible, offers herself for re-election.

Objects and activities

The objects of the charity are to:

- Promote the physical, intellectual and social development and education of pre-school and young children particularly those who are disadvantaged or who have special needs and to ensure that they are ready to flourish when they get to school by working with families, foster and surrogate families and caring for and nurturing children.
- Advance the education of the public in all aspects of the development of young children including speech and language.
- Relieve poverty, sickness and distress among those in necessitous circumstances.
- Relieve unemployment in such ways as may be thought fit including assistance to find employment, and
- Carry out such other exclusively charitable purposes as may be conveniently or advantageously carried out in conjunction with the primary objects.

The charity has the general aim of working in partnership to deliver better outcomes for children and families.

The main objectives for the year continue to be the delivery of our children centre contract, particularly focusing on enhanced family support through our parent mentor project, improving access to employment and the promotion of healthy lifestyles, in particular focusing on mental wellbeing and diet and nutrition.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2023 (continued)

Strategic Report

Achievements and performance

Children Centre Activities

Our Focus on Poverty

Speke Garston now ranks 10th in terms of the percentage of children living in poverty from a ranking of 13th, however we continue to rank 3rd in respect of the volume of children who live in poverty.

We know that the concentration of poverty within the Speke district is higher and that families with a child aged under 5 are at an increased of poverty. Data sets have changed but previous analysis indicates that poverty can be as high as 80% within this cohort. In our nursery 39% of our 3- and 4-year-old children are in receipt of pupil premium.

33% of our total cohort are in receipt of 2-year funding. These places are allocated to families who are on very low incomes. Specifically, within the total two-year cohort the free places made up 74% of our allocations indicating very high levels of poverty in the early years.

In this financial year we:

- Worked directly with 1,435 individuals requiring support with poverty, this is significantly higher than any other year.
- This work included distribution of food and fuel vouchers, employability support and referrals to partners for debt advice.
- Providing food at our activities.
- In addition, we distributed £100K of Asda Vouchers across Liverpool Children Centres.
- Support to access grants, Disability Living Allowance and childcare funding.

Across our children centres, we worked with 3,253 families including 1,157 children aged under 5 years old with 13,944 individual client contacts. Client contacts were decreased as we no longer record childcare contacts on our Estart database, however we delivered 110,580 free childcare hours across the year. In the context of poverty, 60% of all children seen, live in the 1-5% most deprived communities.

Overall, the children centre activities included the following contacts:

- 743 contacts to support healthy weight including a new Infant Feeding service delivered by Alder Hey.
- 1707 individual face to face contacts were made for Family support.
- 191 contacts were specific to a child with special educational needs and or disability.
- 70 children accessed Early Communication Groups, most of these children were referred to Speech and Language Therapy.
- We saw a significant increase in take up of Active Play sessions with 590 contacts recorded.
- We delivered 4,220 hour of community learning courses included Women's Empowerment, The Nurturing programme, You and Me Mum, Bump Birth and Beyond, Baby Massage and Early Communication Groups.
- 727 individuals accessed universal early learning groups.
- Liverpool Women's Hospital Trust recorded 2,864 client contacts and 450 New Born Hearing screenings.
- 746 clients accessed Christmas activities which included our Grotto, Elf events and Christmas parties.
- The total contacts throughout the year specific to poverty support was 3,453.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2023 (continued)

Achievements and performance (continued)

Children Centre Activities (continued)

Partnership working was reinstated, and some new partnerships brokered to support our delivery, this included working with:

- Life Room
- Crosby Training
- Citizen's Advice Liverpool Perinatal Mental Health Service
- Alder Hey Infant Feeding Service
- Shelter
- Kinship Carers Liverpool

All partners add value to our work in the community, we are committed to working in partnership and always seek to innovate in our community.

We continue to act as the lead organisation for Youth and Play locally and provided support and advice on a range of matters such as HR, Fundraising, Safeguarding etc. FCFT has supported Garston Adventure Playground with a successful Youth Investment Fund application. The Venny has been awarded £1.4million to extend and modernise its building, improve the grounds and develop organisational capacity.

Whilst data and reporting relate to the 2022-2023 Financial Year, we are delighted to note that Five Children and Families Trust has been selected as the second Family Hub in Liverpool. This is a testament to our work in the community and the strength of our partnerships. Crucially it provides for longer term sustainability as we approach our 20th Year of Children Centre delivery in the community.

Our New Futures Group continue to support us in our work and in addition both Children Centres now have active parent groups who provide informal support and signposting, support with events and activities and broker in specific training that is wanted and needed by parents.

New Futures ran a very successful grandparents cream tea event where they asked the community to nominate grandparents who have made a difference to their community. The event was attended by Pat Fagan who worked tirelessly to support Marie Curie she also gave much of her time to support our Children Centres. Sadly, Pat has passed away and we were privileged to have been able to honour her work and commitment to her community.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2023 (continued)

Achievements and performance (continued)

Five Childcare

Our childcare team has worked tirelessly to support access to provision in the community. Both settings have expanded their provision after a difficult year post Covid which saw the temporary closure of Muddy Footprints Garston.

They fully integrate with the work of our children centre and add value to all aspects of our delivery, in particular SEND, parenting, safeguarding and poverty work.

As indicated above they have delivered 110,580 free childcare hours across the year.

Both settings actively participated in our 12 Days of Christmas in addition to their own programme of events for children and families.

27% of children on roll have an identified special educational need, requiring intervention; 21% of these children are in receipt of Higher Needs Funding which means they have complex needs and often require one to one intervention.

These children all make progress in our settings and their SENCO and key person work hard to ensure they receive interventions that support progress and ensure that EHCPs are in place when they transition to school.

Senior managers ensure that their teams fully embed our bespoke curriculum, and it is evident that all our children make progress.

Our work in the early years focuses on narrowing the educational gap and we ensure that a full transition takes place when children start school with accurate baselines and evidence of progress.

Multi-agency partnership underpins this work and the manager for Muddy Footprints Early Years Centre chairs the Early Years Consortia, which considers representation from settings in relation to support for SEND children and she is also the representative for South Liverpool Private and Voluntary Sector Nurseries.

Our settings have participated in national and citywide programmes of work to enhance support for children to develop speech, language and communication skills as many as 58% of our children have mild to moderate delay in speech and language at their 2-year Base Line assessment.

The settings have also run Nurture Programme out of hours to support those parents who are working; our childcare teams are integral to meeting the rigorous targets we are set by our funders.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2023 (continued)

Achievements and performance (continued)

Public Benefit Statement

The Children Centre contract has a 100% focus on public benefit for children and families in Speke Garston and Cressington wards.

We support working parents with advice and guidance, ensuring maximum take up of childcare tax credits reducing fees by as much as 80% for the majority of parents and currently our ratio of free childcare provision stands at 60% compared to 40% fee paying.

FCFT always ensures that fees are kept as low as possible without compromising our business sustainability.

We maintained and built on our links with local businesses who support our Food Poverty Work and would like to thank:

AstraZeneca, Fords, Nandos, Moreton's Dairy and Bid Foods all of whom have supported us to ensure families can have access to food and resources throughout the year and in particular over holiday periods.

Through our Children Centre work we also support families to access Liverpool Citizen's Support Scheme (White Goods), Channel J (Furniture and equipment) and the Family Fund (Holidays). Our SEND Link workers also assist with the preparation of Disability Living Allowance applications and appeals on behalf of children with Special Educational Needs and Disability (SEND). We actively advocate on behalf of SEND children in terms of ensuring they are able to access support through the early years consortia and ensure Education and Health Care Plans are in place prior to them starting school.

We continue to provide training and consultancy to other local community organisations and groups on policy development, HR matters, funding and Safeguarding Children.

Risk management

The risk assessment register has been updated including any risks associated with new proposals. A summary of key risks is set out below whilst the likelihood of Covid 19 continuing to have the level of impact at the height of the pandemic the Board feels that it is important to include the risk of a significant outbreak of this or any other emergent viruses not withstanding coronavirus mutations and or potential new contagion:

Significant Viral Contagion - risk to employees:

- Full and immediate individual risk assessment of all staff, in particular those considered as vulnerable to viral infection.
- Board and SMT commitment to maintain 100% of salary payments providing this does not pose a wider financial business risk.
- Work at home and in work protocols in place.
- Risk assessments agreed based on Department for Education and Local Authority guidelines.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2023 (continued)

Risk management (continued)

Significant Viral Contagion - financial Impact:

- Government committed to maintaining early years funding.
- Funding for all children centre posts maintained through Local Authority.
- Review any Government support available.
- Deployment of staff to ensure all aspects of the business function.

Significant Viral Contagion - community impact:

- Children centre and childcare staff identified as “Critical Workers” all settings to remain open to the public.
- All children unable to attend childcare provided with regular key person contact and home working packs.
- Working practices have been updated to ensure regular contact through new mediums this includes, delivery of Zoom Sessions, regular welfare calls, provision of food and vouchers, 1:1 contact, delivery of activity packs, maintenance of antenatal services.
- Strong community links established ensure the centre can operate for wider community benefit.
- Regular review of all risk assessments to ensure staff and community safety at all times.

Loss of revenues:

- Ongoing joint working across Liverpool Children Centre Network to support joint income generation.
- New tenancies have been maintained.
- Review of childcare waiting lists and allocations process.
- Review of nursery group structure and staffing.
- Regular meetings of SMT to ensure places are maximised across the group network.
- Work to support Garston Adventure Playground will result in rental revenues for Muddy Footprints.
- Current plans are in place to create Family Hubs providing longer term security for Children centres and potential for increased revenues and wide community benefit.

Increase in competition base for childcare:

- All settings are graded good settings by Ofsted.
- Childcare participate in achievement of externally verified quality assurance schemes
- Ambitious targets negotiated to ensure we achieve good outcomes for children.
- Ability to respond effectively and flexibly to 30 hours free funding for working parents.

Changes to Children Centre’s and Childcare Inspection Frameworks:

- Centre works closely with Local Authority Quality Improvement Officers and Children Centre Central Service Team.
- Staff qualifications include Qualified Teacher Status, Early Years Practitioner and a high number of graduate qualifications across the organisation.
- SMT participate in a number of peer support networks to explore best practice approaches.
- All existing policy, procedure, practice and information systems have been reviewed in line with proposed changes.
- Board and SMT have revised curriculum intent which is consistent with our community aspiration and context
- SMT and whole staff supervision and appraisal is in place.
- All nursery settings have been inspected under the new framework and have been graded Good.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2023 (continued)

Risk management (continued)

Lack of opportunity to build up adequate reserves in line with the organisations reserves policy:

- LCC will underwrite any potential redundancy of core children centre staff.
- Nursery recovery plan demonstrated increased income.
- Terms and conditions have been reviewed in year.
- Government has introduced a Flexible Support Fund enabling parents to pay upfront childcare costs.

Potential significant maintenance requirements arise in relation to the Children Centre Asset:

- Centre implements a regular maintenance programme.
- Ability to draw down some capital budget through LCC.
- Reviewed tenancy agreements.
- SLH are amenable to discussion in relation to asset transfer in 2024.

Failure to adequately safeguard children:

- Maintain robust policy implementation.
- Regular review of safeguarding policy and practice through case management systems and audit arrangements.
- Completion of childcare safeguarding audits on all sites.
- Participation in multi –agency networks.
- Participation in Liverpool Safeguarding Partnership training programme and policy update service.
- Raising community awareness regarding keeping children safe.
- Staff, volunteers and board receive appropriate safeguarding training.
- SMT representatives support Liverpool Safeguarding Children’s Board with dissemination of training.

Loss of key staff and pressures arising on the SMT

- Focus on team development.
- Identified staff undertaking graduate qualifications.
- Succession planning in place.

Financial review

The accounts show a decrease in income of £90,865 to £1,519,671 (2022 £1,610,536).

The trustees report a deficit of £36,549 (2022 surplus £66,684). This represents a deficit of £148,624 (2022 surplus £167,608) on restricted funds and a surplus of £112,075 (2022 deficit £100,924) on unrestricted funds.

Investments powers and policy

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

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2023 (continued)

Policy on remuneration of key management personnel

The charity is committed to ensuring that we pay our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives.

The Board undertakes an annual review of salaries with the CEO in attendance, although the CEO does not participate in the discussions around their own salary. All salary reviews take account of the broader financial position of the organisation.

When carrying out its reviews, the Board has regard to:

- Industry benchmarks, including the pay grades of similar roles within the local authority, where services are commissioned by those bodies;
- making sure that pay rates are competitive within the sector;
- the remuneration package as a whole including pension contributions; and
- rewarding good performance.

Reserves policy

The charity's reserves policy is to build up an unrestricted reserve sufficient to enable the charity's activities to be continued for a period of 3 months should regular funding be reduced or become unobtainable.

This would provide the trustees with sufficient time to consider how the operations of the charity could be developed to enable its services to continue to be provided given the levels of funding available.

At present this level of reserves is realistically unobtainable but the trustees are looking at ways of increasing its incoming resources that would enable unrestricted reserves to be built up over a period of time.

Our business strategy is focused on the creation of a mixed economy that is:

- Less reliant on grant or a single source of income
- Builds on our existing enterprise portfolio and the creation of unrestricted reserves
- Ensures that all projects are based on the principles of full cost recovery

The build-up of a financial reserve is clearly linked to organisational performance and is wholly dependent on the organisation's ability to respond, develop and innovate within the context of our enterprise work.

This is consistent with our business mission:

"We will grow our services, innovatively, profitably and in accordance with our charitable mission."

In building sufficient reserves, we will be able to respond to potential risks and contingencies that may arise from time to time enabling us to meet financial risks associated with any contingency or uncertainty relating to the charity's operating activities. These include:

- The provision for an orderly winding-down of operations in the event of a significant adverse event that is outside the control of the charity.
- Shifts in legislation that may affect existing services provided for by the charity.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2023 (continued)

Structure, governance and management

Post balance sheet events

There are no significant post balance sheet events to report.

Governing document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 27th June 2001 as amended on 2nd March 2006 to allow for current governance arrangements.

The company was registered as a charity on 23rd January 2006.

Membership of the charity is open to individuals or organisations who qualify in accordance with the policy and criteria for admission of members made by the trustees.

Organisation

The board of trustees, which can have up to 9 members, administers the charity. The board meets at least four times a year and there are sub-committees covering finance, nominations and human resources.

A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Board has delegated authority to the Chief Executive for all operational matters including finance, employment and performance related activity.

Appointment of trustees

As set out in the Articles of Association the nominations committee will advise the charity on:

- Identification and selection of new trustees and making nominations to the AGM for the appointment of new trustees.
- Policy, criteria and other matters relating to membership of the charity.
- Appointment of the Chair, Deputy Chair, Treasurer and any other office holders.

The nominations committee has delegated authority to carry out its role detailed above and to make such nominations as it sees fit.

The charity is committed to the full involvement of parents in its strategic development and we would always seek to have a third of our membership made up of local parents. Currently 50% of the board is made up of local parents.

The trustees have the power to co-opt any person duly qualified to be appointed as a trustee to fill a vacancy in their number or as an additional trustee but a co-opted trustee holds office only until the next AGM.

All members are circulated with the invitations to nominate trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM.

Nominees appointed by Liverpool City Council and Liverpool Primary Care Trust are subject to the appointment processes of those bodies and the guidelines on appointment to public office as they apply to Local Government and Department of Health nominees.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2023 (continued)

Structure Trustee induction and training

New trustees undergo an induction to brief them on:

- Their legal obligations under charity and company law.
- The content of the Memorandum and Articles of Association.
- Decision making processes.
- The business plan.
- Recent financial performance of the charity.
- The Code of Conduct for Board Members.
- Their responsibilities for safeguarding children.

During the induction period board members arrangements are made for them to meet key employees and other trustees.

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. The charity ensures adequate funds are available for trustees to undertake training in relation to their roles and responsibilities.

Statement of trustees' responsibilities

The trustees (who are also directors of Five Children and Families Trust Ltd for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable 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 2019 (FRS 102);
- make judgements 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2023 (continued)

Trustees' statement of disclosure of information to the auditors

Each of the persons who is a trustee at the date of approval of this report confirm in so far as they are aware that:

- 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 auditors are aware of that information.

By Order of the Trustees



S. Roberts
Secretary

29 December 2023

Mitchell Charlesworth (Audit) Limited

Accountants

5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

**Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd**

For the year ended 31st March 2023

Opinion

We have audited the financial statements of Five Children and Families Trust Ltd (the 'charitable company') for the year ended 31st March 2023 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Mitchell Charlesworth (Audit) Limited

Accountants

5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

**Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd**

For the year ended 31st March 2023 [Continued]

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

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FIVE CHILDREN AND FAMILIES TRUST LTD

**Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd**

For the year ended 31st March 2023 [Continued]

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- the charitable company's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and members of the Board of Trustees of their own identification of and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:

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FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd

For the year ended 31st March 2023 [Continued]

Identifying and assessing potential risks related to irregularities (continued)

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the charity's Statement of Financial Activities, (ii) the charity's accounting policy for revenue recognition, and (iii) the overstatement of salary and other costs. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and the Statement of Recommended Practice - 'Accounting and Reporting by Charities' issued by the joint SORP making body.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included Safeguarding and Data Protection regulations.

Audit response to risks identified

As a result of performing the above, we identified the presentation of the charitable company's Statement of Financial Activities, revenue recognition and overstatement of wages and other costs as the key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the Board of Trustees concerning actual and potential litigation and claims;

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FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd

For the year ended 31st March 2023 [Continued]

Audit response to risks identified (continued)

- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mitchell Charlesworth (Audit) Limited.

Mr Philip Griffiths

Senior Statutory Auditor

29 December 2023

On behalf of Mitchell Charlesworth (Audit) Limited

Statutory Auditor

3rd Floor
5 Temple Square
Temple Street
Liverpool
Merseyside L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31st March 2023

Summary Income and Expenditure Account

	Notes	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Income from:					
Donations and legacies	2	3,732	-	3,732	37,671
Charitable activities	3	998,475	517,464	1,515,939	1,572,865
Total income		<u>1,002,207</u>	<u>517,464</u>	<u>1,519,671</u>	<u>1,610,536</u>
Expenditure on:					
Charitable activities	4	890,132	666,088	1,556,220	1,543,852
Total expenditure		<u>890,132</u>	<u>666,088</u>	<u>1,556,220</u>	<u>1,543,852</u>
Net income/(expenditure) for the year	7	112,075	(148,624)	(36,549)	66,684
Total funds brought forward		<u>77,923</u>	<u>349,920</u>	<u>427,843</u>	<u>361,159</u>
Total funds carried forward		<u>189,998</u>	<u>201,296</u>	<u>391,294</u>	<u>427,843</u>

The charity has no recognised gains or losses other than the results for the year as set out above. All activities of the charity are classed as continuing.

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31st March 2023

Comparative information for the year ended 31st March 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	2	33,892	3,779	37,671	168,337
Charitable activities	3	<u>871,308</u>	<u>701,557</u>	<u>1,572,865</u>	<u>1,257,578</u>
Total income		<u>905,200</u>	<u>705,336</u>	<u>1,610,536</u>	<u>1,425,915</u>
Expenditure on:					
Charitable activities	4	<u>1,006,124</u>	<u>537,728</u>	<u>1,543,852</u>	<u>1,393,231</u>
Total expenditure		<u>1,006,124</u>	<u>537,728</u>	<u>1,543,852</u>	<u>1,393,231</u>
Net income/(expenditure for the year)	7	(100,924)	167,608	66,684	32,684
Total funds brought forward		<u>178,847</u>	<u>182,312</u>	<u>361,159</u>	<u>328,475</u>
Total funds carried forward		<u>77,923</u>	<u>349,920</u>	<u>427,843</u>	<u>361,159</u>

The charity has no recognised gains or losses other than the results for the year as set out above. All activities of the charity are classed as continuing.

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Balance Sheet 31st March 2023

	Notes	2023		2022	
		£	£	£	£
Fixed assets					
Tangible assets	10		194,037		240,196
Current assets					
Debtors	11	64,471		65,757	
Cash at bank and in hand		<u>251,539</u>		<u>328,847</u>	
		316,010		394,604	
Creditors					
Amounts falling due within one year	12	<u>(91,933)</u>		<u>(170,496)</u>	
Net current (liabilities)/assets			<u>224,077</u>		<u>224,108</u>
Total assets less current liabilities			418,114		464,304
Creditors					
Amounts falling due over one year	13		<u>(26,820)</u>		<u>(36,461)</u>
			<u>391,294</u>		<u>427,843</u>
Funds					
Unrestricted funds					
General funds	17		189,998		77,923
Restricted funds	18		<u>201,296</u>		<u>349,920</u>
Total funds	19		<u>391,294</u>		<u>427,843</u>

The accounts on pages 18 to 32 were approved by the trustees and authorised for issue on 29 December 2023 and signed on their behalf by:-



M Ord
Trustee

Company Registration Number: 4241965

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Cash Flows for the year ended 31st March 2023

	Notes	2023		2022	
		£	£	£	£
Cash flow from operating activities	22		(40,815)		138,115
Cash flow from investing activities					
Payments to acquire tangible fixed assets		<u>(11,181)</u>		<u>(71,172)</u>	
Net cash flow from investing activities			(11,181)		(71,172)
Cash flow from financing activities					
Repayments of loans		(23,438)		(23,055)	
Interest paid		<u>(1,874)</u>		<u>(10,875)</u>	
Net cash flow from financing activities			<u>(25,312)</u>		<u>(33,930)</u>
Change in cash and cash equivalents in the year ending 31st March 2023			(77,308)		33,013
Cash and cash equivalents as at 1st April 2022			<u>328,847</u>		<u>295,834</u>
Cash and cash equivalents as at 31st March 2023			<u>251,539</u>		<u>328,847</u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2023

1. Summary of significant accounting policies

(a) General information and basis of preparation

Five Children and Families Trust is a company limited by guarantee and a registered charity in the United Kingdom. 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. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees' Report on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity. In some instances these funds are designated by the trustees for specific purposes.

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

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2023

1. Summary of significant accounting policies (continued)

(c) Income recognition (continued)

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to special performance conditions and is recognised as earned as the related services are provided. Grant income included in this category provides funding to support performance activities and is recognised when there is entitlement, certainty of receipt and the amounts can be measured with sufficient reliability.

Investment income is earned through holding assets for investment purposes such as bank deposits. It essentially includes interest which is recognised using the effective interest method.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes expenditure for running the Children Centre and activities provided therein.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Children's Centre. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 5.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Building improvements	-	10% per annum
Fixtures and fittings	-	25% per annum

(g) Investments

Investments are recognised at fair value which is normally the transaction price excluding transaction costs, less impairment.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2023

1. Summary of significant accounting policies (continued)

(h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(i) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

(j) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(k) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(l) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(m) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(n) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2023

2. Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Donations and other sundry income	-	-	-	7,636
Covid support grants	3,732	-	3,732	30,035
	<u>3,732</u>	<u>-</u>	<u>3,732</u>	<u>37,671</u>

£3,779 of the above income in 2022 was attributed to restricted funds and £33,892 of the above income in 2022 was attributed to unrestricted funds.

3. Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2023 £	Total 2022 £
Children's Centres - Liverpool City Council	-	345,982	345,982	296,168
Nursery income	805,629	-	805,629	723,181
Letting of Centre	41,484	-	41,484	28,738
Health and wellbeing	9,146	171,482	180,628	175,326
Kids Club	67,134	-	67,134	52,955
Other	75,082	-	75,082	296,497
	<u>998,475</u>	<u>517,464</u>	<u>1,515,939</u>	<u>1,572,865</u>

£461,444 of the above income in 2022 was attributed to restricted funds and £709,311 of the above income in 2022 was attributed to unrestricted funds.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2023

4. Analysis of expenditure on charitable activities	Direct costs £	Support costs £	Total 2023 £	Total 2022 £
Children's Centres	277,896	6,813	284,709	274,552
Nursery	730,709	25,297	756,006	787,524
Health and wellbeing	242,971	-	242,971	153,823
Building and support	11,892	121,308	133,200	237,405
Kids Club	56,296	-	56,296	60,297
Other	72,994	10,044	83,038	30,251
	<u>1,392,758</u>	<u>163,462</u>	<u>1,556,220</u>	<u>1,543,852</u>

£666,088 (2022 £528,728) of the above costs were attributed to restricted funds and £890,132 (2022 £1,006,124) of the above costs were attributed to unrestricted funds.

5. Support costs	Total 2023 £	Total 2022 £
Staff and volunteer costs	112	13,463
Premises costs	68,676	70,526
Depreciation	57,340	67,908
Office costs	14,007	15,456
Legal and professional	5,620	9,107
Information technology	251	1,299
Other	8,421	18,329
Governance costs (note 6)	9,035	14,810
	<u>163,462</u>	<u>210,898</u>

6. Governance costs	Total 2023 £	Total 2022 £
Fees payable to the charity's auditor (and its associates) for the audit of the charity's annual accounts	9,035	14,810
	<u>9,035</u>	<u>14,810</u>

7. Net incoming/(outgoing)resources for the year	Total 2023 £	Total 2022 £
This is stated after charging:		
Depreciation	57,340	63,791
Audit fee	9,035	14,810

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2023

8. Staff costs and numbers	Total 2023 £	Total 2022 £
Salaries and wages	1,017,669	1,000,940
Social security costs	66,914	58,868
Other pension costs	26,744	27,666
	<u>1,111,327</u>	<u>1,087,474</u>

There are no employees earning at the rate of £60,000 or more per annum.

The average weekly number of employees during the year, was as follows:-

	2023 Number	2022 Number
Total	67	54

9. Trustees' and key management

The trustees received remuneration during the year totalling £Nil (2022 £5,346). The remuneration paid to one trustee in the prior year was in respect of sessional work performed to provide short term cover for sickness and other absences. No expenses (2022 £Nil) were reimbursed to any trustees (2022 - 0) during the year.

The total amount of employee benefits received by key management personnel is £231,748 (2022 £151,677).

The charity considers its key management personnel to comprise the Programme Director, Deputy Children's Centre Manager, Building Manager and Team Leader, the Finance Manager and two Nursery Managers.

10. Tangible fixed assets

Cost	Building improvements £	Fixtures and equipment £	Total £
At 1st April 2022	528,424	134,078	662,502
Additions	<u>-</u>	<u>11,181</u>	<u>11,181</u>
31st March 2023	<u>528,424</u>	<u>145,259</u>	<u>673,683</u>
Depreciation			
At 1st April 2022	294,138	128,168	422,306
Charge for the year	<u>51,997</u>	<u>5,343</u>	<u>57,340</u>
At 31st March 2023	<u>346,135</u>	<u>133,511</u>	<u>479,646</u>
Net book value			
At 31st March 2023	<u>182,289</u>	<u>11,748</u>	<u>194,037</u>
At 31st March 2022	<u>234,286</u>	<u>5,910</u>	<u>240,196</u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2023

11. Debtors	2023	2022
	£	£
Trade debtors	64,471	65,757
	<u> </u>	<u> </u>
12. Creditors: Amounts falling due within one year	2023	2022
	£	£
Bank loan	9,849	9,607
Keyfund loan	-	14,039
Trade creditors	10,702	48,459
Accruals and deferred income	70,020	79,132
Social security and other taxes	1,362	19,259
	<u> </u>	<u> </u>
	91,933	170,496
	<u> </u>	<u> </u>
13. Creditors: Amounts falling due after more than one year	2023	2022
	£	£
Bank loan	26,820	36,461
	<u> </u>	<u> </u>
	26,820	36,461
	<u> </u>	<u> </u>

The loan from the Key Fund was unsecured, with interest charged at 12% per annum.

The charity took out a loan from Barclays Bank plc under the terms of the Covid Bounce Back loan scheme. The loan is unsecured, is repayable by October 2026 and interest is currently charged at 2.5% per annum.

14. Maturity of debt

Creditors include finance capital which is due for repayment as follows:-

	2023	2022
	£	£
Amounts repayable:-		
In one year or less or on demand	9,849	23,646
In more than one year but not more than two years	10,098	9,850
In two to five years	16,722	26,611
	<u> </u>	<u> </u>
	36,669	60,107
	<u> </u>	<u> </u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2023

15. Capital commitments

There were no capital commitments at 31st March 2023 and 31st March 2022.

16. Members' liability

The company is limited by guarantee and has no share capital. Every member of the Association undertakes to contribute to the assets of the company, in the event of being wound up while he or she is a member or within one year of ceasing to be a member for debts and liabilities of the company contracted before he or she ceases to be a member, such amount as may be required not exceeding £1.

17. Unrestricted funds	As at 01.04.22 £	Income £	Expenditure £	As at 31.03.23 £
General fund	77,923	1,002,207	(890,132)	189,998
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Comparative information in respect of the preceding period is as follows:-

	As at 01.04.21 £	Income £	Expenditure £	As at 31.03.22 £
General fund	178,847	905,200	(1,006,124)	77,923
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18. Restricted funds	As at 01.04.22 £	Income £	Expenditure £	As at 31.03.23 £
Children's centre grants:				
Children's centre - Liverpool City Council	-	333,853	(333,853)	-
Garston centre - Liverpool City Council	-	9,759	(9,759)	-
Nursery grants:				
Liverpool City Council Capital Grant 2	102,932	-	(41,067)	61,865
DHL UK Foundation	1,500	-	(1,500)	-
Bambinis	37,286	85,626	(82,631)	40,281
Youth Consortium	-	85,856	(85,856)	-
Sundry grants:				
Liverpool City Council Projects	199,150	-	(100,000)	99,150
Autism - Liverpool City Council	5,000	-	(5,000)	-
Hardship fund	4,052	-	(4,052)	-
Other	-	2,370	(2,370)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	349,920	517,464	(666,088)	201,296
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2023

18. Restricted funds (continued)

Comparative information in respect of the preceding period is as follows:-

	As at 01.04.21	Income	Expenditure	As at 31.03.22
	£	£	£	£
Children's centre grants:				
Children's centre - Liverpool City Council	-	286,434	(286,434)	-
Garston centre - Liverpool City Council	-	9,734	(9,734)	-
Nursery grants:				
Liverpool City Council Capital Grant	8,780	-	(8,780)	-
Liverpool City Council Capital Grant 2	143,999	-	(41,067)	102,932
DHL UK Foundation	3,000	-	(1,500)	1,500
Bambinis	23,261	90,900	(76,875)	37,286
Youth Consortium	-	84,426	(84,426)	-
Sundry grants:				
Liverpool City Council Projects - Beat abuse	-	200,000	(850)	199,150
Autism - Liverpool City Council	-	24,300	(19,300)	5,000
Hardship fund	3,272	800	(20)	4,052
Young Advisors	-	4,963	(4,963)	-
Other	-	3,779	(3,779)	-
	<u>182,312</u>	<u>705,336</u>	<u>(537,728)</u>	<u>349,920</u>

Children's Centre – Liverpool City Council

This project is funded by the Government through Local Authorities and can only be used for Children's Centre Services as defined and agreed with the Local Authority/Government under a Service Level Agreement.

Nursery and Kids Club (Childcare Provision)

We operate a 0 – 5 year old nursery alongside a 4 – 12 year old Kids Club. Grant funding has been received to develop and enhance Childcare provision and staff training together with Nursery Educational Fund. This is paid from the Local Authority but forms part of an individual entitlement for all children aged 3-4 to receive 15 hours free childcare. Similarly we have been in receipt of a fund piloting the same entitlement for 2 year olds and this programme is now being launched nationally.

Liverpool City Council Capital Grant

Liverpool City Council awarded a grant for the restructure and expansion of the Nursery. The major works were completed in 2013/14.

DHL UK Foundation

DHL provided a total of £15,000 as a contribution towards alterations to the Nursery space.

Bambinis

Bambinis is a community led initiative working to support women to initiate and sustain breastfeeding. The charity receives funding through a service level agreement with Liverpool City Council to deliver this citywide service operating through Liverpool Women's Hospital Trust and Liverpool Children Centres.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2023

19. Analysis of net assets between funds	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	132,172	61,865	194,037
Net current assets	84,646	139,431	224,077
Creditors due after one year	(26,820)	-	(26,820)
Net assets at 31st March 2023	189,998	201,296	391,294

Comparative information in respect of the preceding period is as follows:-

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	135,764	104,432	240,196
Net current assets	(21,380)	245,488	224,108
Creditors due after one year	(36,461)	-	(36,461)
Net assets at 31st March 2022	77,923	349,920	427,843

20. Related party transactions

There are no related party transactions other than those referred to in note 9 to the accounts.

21. Pension costs

The employers' contributions into the individual pension plans of certain employees amounted to £26,744 (2022 £27,666) and the amount unpaid and included in creditors at 31st March 2023 was £Nil (2022 £5,921).

22. Reconciliation of net income/(expenditure) to net cash flow from Operating activities	Total 2023 £	Total 2022 £
Net income/(expenditure) for the year	(36,549)	66,684
Depreciation charges	57,340	67,908
Interest payable	1,874	10,875
Decrease / (increase) in debtors	1,286	(24,147)
Increase / (decrease) in creditors	(64,766)	16,795
Net cash flow from operating activities	(40,815)	138,115

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2023

22. Analysis of net debt	At 1 April 2022 £	Cash flows £	Non-cash movements £	At 31 March 2023 £
Cash at bank	324,472	(75,468)	-	249,004
Cash in hand	4,375	(1,840)	-	2,535
	<u>328,847</u>	<u>(77,308)</u>	<u>-</u>	<u>251,539</u>
Debt due within one year	(23,646)	23,438	(9,641)	(9,849)
Debt due after more than one year	(36,461)	-	9,641	(26,820)
	<u>268,740</u>	<u>(53,870)</u>	<u>-</u>	<u>214,870</u>

FIVE CHILDREN AND FAMILIES TRUST LTD

England & Wales - Charity number 1112796

Accounts

FIVE CHILDREN AND FAMILIES TRUST LTD
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

for the year ended

31st March 2022

REGISTERED NUMBER: 4241965

CHARITY NUMBER: 1112796

FIVE CHILDREN AND FAMILIES TRUST LTD

Accounts

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FIVE CHILDREN AND FAMILIES TRUST LTD

Company Information 31st March 2022

Company number:	4241965
Charity number:	1112796
Trustees:	P R Bostock (Chair) B Prescott (resigned 7 June 2022) P M Freeman M Ord A Hughes
Secretary:	S Roberts
Chief Executive:	S Roberts
Registered office:	Conleach Road Speke Liverpool L24 0TW
Bankers:	Co-operative Bank plc Po Box 250 Delf House Southway Skelmersdale WN8 6WT
Solicitors:	Hill Dickinson LLP No.1 St. Paul's Square Liverpool L3 9SJ
Auditor:	Mitchell Charlesworth (Audit) Limited Accountants Statutory Auditor 5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2022

The trustees (who are also the directors of the company for the purposes of company law) present their report together with the audited accounts of the charity for the year ended 31st March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Trustees

The trustees who served during the year are detailed on page 1.

B Prescott resigned on 7 June 2022.

M Ord retires by rotation and being eligible, offers himself for re-election.

Objects and activities

The objects of the charity are to:

- Promote the physical, intellectual and social development and education of pre-school and young children particularly those who are disadvantaged or who have special needs and to ensure that they are ready to flourish when they get to school by working with families, foster and surrogate families and caring for and nurturing children.
- Advance the education of the public in all aspects of the development of young children including speech and language.
- Relieve poverty, sickness and distress among those in necessitous circumstances.
- Relieve unemployment in such ways as may be thought fit including assistance to find employment, and
- Carry out such other exclusively charitable purposes as may be conveniently or advantageously carried out in conjunction with the primary objects.

The charity has the general aim of working in partnership to deliver better outcomes for children and families.

The main objectives for the year continue to be the delivery of our children centre contract, particularly focusing on enhanced family support through our parent mentor project, improving access to employment and the promotion of healthy lifestyles, in particular focusing on mental wellbeing and diet and nutrition.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2022 (continued)

Strategic Report

Achievements and performance

Five Children Centre

Whilst Covid 19 restrictions were finally lifted at the onset of this financial year, the impact was felt throughout 2021 and children centre services were not fully reinstated until January 2022, following recommendations from Liverpool City Council, Health and Safety Department.

We had a number of nursery closures due to outbreaks of Covid 19 and parents were clearly reluctant to expose their children to the virus.

Additionally, we were working with the social and emotional impact of Covid on those children who experienced the lockdown, notwithstanding the impact on our workforce.

A recent report “Casting Long Shadows” Sally Hogg and Georgina Mayes for the First 1001 Days Movement and Institute of Health Visiting. notes that:

“The pandemic came at a time when services for babies and their families, particularly in England, had suffered significant cuts. Many services were already struggling to meet the needs of their communities and could not respond adequately to the increased demands of the pandemic”.

This new tension in relation to the impact of Covid on children’s development and plans by Liverpool City Council to move forward with a bid to the Family Hub programme creates both opportunity and challenge for children centres.

The children centre continued to offer a revised service throughout the year, ensuring we made contact with all families through telephone and outreach activity. This enabled us to respond to any need, many families were grateful for the telephone contact and told us it made them “feel valued” We also picked up on some sensitive issues such as domestic abuse, poverty etc. where we were able to respond appropriately.

Our childcare settings have all been inspected and key strengths related to:

- Their responsiveness to the community and families as they worked closely with the children centre to support children in the community.
- How our bespoke curriculum has been embedded across all our sites with a strong focus on nurturing children.
- Our work with children with Special Educational Needs and Disability.

Children Centre Activities

Our Focus on Poverty

2021 statistics are now available, and this suggests that there has been a slight decrease in the numbers of children living in absolute poverty within the children centre reach area this now stands at 1,274 children. A further 1,701 children live in relative poverty. Specifically, Speke Garston now ranks 13th in terms of the percentage of children living in absolute poverty from a ranking of 11th, however we continue to rank 3rd in respect of the actual volume of children who live in poverty. This is an unacceptable position for a modern society, FCFT continues to focus on support for those families living in our most deprived LSOAs; we know that the concentration of poverty within the Speke district is higher and that families with a child aged under 5 are at a further increased risk of poverty.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2022 (continued)

Achievements and performance (continued)

Children Centre Activities (continued)

Across our children centres, we worked with 2,177 families during this reporting period this included 1,419 children aged under 5 years old with 23,968 individual client contacts. Client contacts slightly decreased across the two centres; however, we increased our number of children, aged 0-5, having contact for a second year in Five Children Centre, Speke, achieving an overall target of 78% of children seen. In the context of poverty, the Centres achieved a target of 77% of children seen, who live in the 1-5% most deprived communities. In terms of our activities, in relation to supporting families out of poverty we:

- Distributed £26,205 worth of supermarket vouchers to 1,174 families and 888 families also benefited from fuel vouchers worth a total of £18,620.
- Continued to issue foodbank vouchers, with 132 families benefitting.
- Throughout the year we recorded 230 families accessing our Fareshare but this is an under representation as we only record those families with a child under 5.
- 288 children and parents visited our Grotto.
- 67 families were supported at Christmas with hampers and additional vouchers, toys, clothing and pyjamas.
- 64 Families were supported with vulnerable household grants.
- Supported families who have a child with complex special educational needs and or disability, to access Disability Living Allowance.

Overall, the children centre activities included:

- Achievement of welfare calls, which were made to 698 clients.
- Home Visits reduced as centre-based support increased; 158 home visits and community outreach support visits were recorded in the year.
- Centre based support increased with 797 face-to-face parent meetings recorded of which 44 parents had a child with special educational needs and or disability.
- Health partners at the Children Centre saw a total of 2,123 clients this included antenatal (1,421), New Born Hearing Screening (364), and weight and advice (303).
- We ran 2 Dental Health sessions seeing 104 children and recorded attendance at Home safety and Road safety events 481 clients benefitted.
- The children centre implemented an Active Play Group with 98 clients taking part; this group is a standardised children centre service.

Other standardised services that were introduced included All about Baby a playgroup for small babies utilising the PEEP ORIM framework. The group is an interaction with parent and baby and supports parents with the following:

- Opportunities: supporting parents and carers to turn the experiences of day-to-day life into learning opportunities through the ways that they interact with their children.
- Recognition: encouraging parents and carers to recognise and value their children's efforts and achievements - and the children themselves, just for who they are. This contributes to children's understanding and belief in themselves as learners.
- Interaction: providing a space where parents and carers support their children's development by interacting with them.
- Modelling: practitioners provide key messages about children's learning and development, and they are able to model the principles and concepts to the parents. Parents are supported and encouraged to model learning opportunities to their children.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2022 (continued)

Achievements and performance (continued)

Children Centre Activities (continued)

ORIM is threaded throughout all of our early learning groups.

- 644 parents and children accessed our early learning groups, this includes All About Baby, Stay and Play, Book Start Corner, Once Upon a Story and Christmas and Summer play activities.

We also implemented the new standardised services for children with SEND this included a drop-in group, Development Matters, and Early Communication Groups Level's 1,2,3. Level 1 is for those children with the most severe delay or other complex needs beyond SEND. 22 children were seen at Level 1 and 91 children at level 3.

- All children referred into the SEND Link Worker receive a bespoke plan with support for specialist referrals, Education and Health Care Plans, access to Disability Living Allowance and school transition.
- Universal Early Learning Groups were cancelled for much of the year however, we were able to offer accredited learning to 49 parents this included accredited Nurturing Programme, Baby Massage and You and Me Mum Domestic Abuse programme.
- School links continued however only two Local schools participated in Christmas activities benefitting 71 children.

PSS began to run services from our Centre, and we piloted Mellow Bumps, which we co-delivered. We also co-deliver a regular coffee morning for new parents, and this has enabled us to notice any issues with infant bonding, birth trauma. By building trusting relationships, access to psychology services is de-stigmatised.

All recorded data is taken from our Estart Data Base, which is enabled for data relating to families with a child under the age of 5 and the Local Authority Revenues and Benefits data in relation to vouchers for 2-year-old and 1 year old children.

Partnership working was very different throughout this challenging Covid period, and a lot of work was undertaken via telephone and zoom however, we continued to maintain our contact with multi-agency partners to ensure a shared approach to highlighting vulnerable families and safeguarding children.

Five Childcare

All our childcare settings have had Ofsted inspections and are graded good.

The Ofsted Inspectors saw clear evidence that our bespoke teaching and learning curriculum is well embedded across the settings. Without exception, the Ofsted Inspectors observed clear learning intent within all planned activities and importantly that children do learn and make good progress within our settings.

Our Nurturing Principles were observed throughout each inspection and one Ofsted inspector noted that:

“Children who find it difficult to manage their emotions are supported by the knowledgeable staff to learn strategies to help them. Promoting children's emotional development is at the heart of this calm and caring nursery.”

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2022 (continued)

Achievements and performance (continued)

Five Childcare (continued)

We were highly praised for the work we do with children who have SEND and all information feeding into the inspection was triangulated through discussions with the senior leadership team, practitioners working with the children and conversations with parents. The Inspector Noted:

“Leaders ensure that the nursery provides an exceptional level of support to children with special educational needs and/or disabilities (SEND) and their parents. The skilled staff team are true advocates for children and are unwavering in seeking out the support needed. Referrals are made at the earliest possible point, and tailored educational plans are put in place to support children. Close partnership working with parents is a vital part of the success of the work the nursery does. This builds to give children with SEND, and indeed all children, the best possible progress and outcomes from their starting points”

The Charity is very proud of the achievements of our childcare settings and the support they gave to the Children Centre team in relation to wider support in the community, another feature recognised by the Ofsted Inspectors.

That said it has been a financially challenging year and as such we had to make some difficult decisions in relation to the overall operation of childcare. Following a rigorous financial assessment, and an assessment of all physical resources, the decision was taken to temporarily close our smallest setting, Muddy Footprints. This setting has run at a consistent but manageable loss since opening in part due to the saturation of settings in the locality, Covid 19 and the fact that Ofsted had not completed an inspection. More significantly, this decision came at a time when concerns were being raised nationally with regard to the viability of childcare settings in the context of massively increasing overheads and difficulties in our Muddy Footprints Early Years Centre with the same prevailing issues. Nurseries across the country closed their doors without notice to parents and children, we managed the closure sensitively and all staff, parents and children were consulted and offered relocation in the Speke settings. It is our intention to consult in the spring with regard to a re-launch or repurpose of Muddy Footprints. From September of 2022 we are confident that our two settings in Speke have the ability to make sufficient surpluses to achieve a buildup of reserves over the next 5 years. Notably there is cross party agreement that further investment is needed to support the early years sector and ensure that women can remain active in the employment market.

Public Benefit Statement

The Children Centre contract has a 100% focus on public benefit for children and families in Speke Garston and Cressington wards.

We support working parents with advice and guidance, ensuring maximum take up of childcare tax credits reducing fees by as much as 80% for the majority of parents approximately 87% of childcare is free at the point of contact or subsidised through childcare tax credits.

Through our Children Centre work, we also support families to access Liverpool Citizen’s Support Scheme (White Goods), Channel J (Furniture and equipment) and the Family Fund (Holidays). Our SEND Link workers also assist with the preparation of Disability Living Allowance applications and appeals on behalf of children with Special Educational Needs and Disability (SEND). We actively advocate on behalf of SEND children in terms of ensuring they are able to access support through the early years consortia and ensure Education and Health Care Plans are in place prior to them starting school.

The Charity continued to act as lead agency for Youth and Play for Speke Garston and Cressington Wards. This will stand us in good stead as we transition into a Family Hub Model.

We continue to provide training and consultancy to other local community organisations on policy development, HR matters and Safeguarding Children. We also provide free rooms or reduced rate rooms to local community groups.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2022 (continued)

Risk management

The risk assessment register has been updated including any risks associated with new proposals. A summary of key risks is set out below and includes the ongoing impact of Corona Virus, Covid 19 as restrictions begin to ease. Specifically, we now need to consider the possibility of viral mutations or potential new contagion:

Covid 19 Staff:

- Full and immediate individual risk assessment of all staff, in particular those considered as vulnerable to the impact of Covid 19.
- Board and SMT commitment to maintain 100% of salary payments providing this does not pose a wider financial business risk.
- Work at home and in work protocols in place.
- Risk assessments agreed based on Department for Education and Local Authority guidelines.

Covid19 Financial Impact:

- Government commitment to maintain funding for 2-Year-Old children and Nursery Education Funding.
- Funding for all children centre posts maintained through Local Authority.
- Partial access to Government Furlough scheme.
- Deployment of staff to ensure all aspects of the business function.

Covid 19 Community Impact:

- Children centre and childcare staff identified as “Critical Workers” all setting to remain open to the public.
- All children unable to attend childcare provided with regular key person contact and home working packs.
- Reviewed all working practices to enable regular contact through new mediums this includes, delivery of Zoom Sessions, regular welfare calls, provision of food and vouchers, 1:1 contact, delivery of activity packs, maintenance of antenatal services.
- Offering a broader community focus as the only provider operational in Speke.
- Regular review of all risk assessments to ensure staff and community safety at all times.

Loss of revenues:

- Ongoing joint working across Liverpool Children Centre Network to support joint income generation.
- Children Centres will transition to Family Hubs with new investment from Government.
- New tenancies have been achieved across both children centre sites which support joint working.
- Review of childcare waiting lists and allocations process
- Review of nursery group structure and staffing.
- Regular meetings of SMT to ensure places are maximised across the group network.
- Staff and children at Muddy Footprints Garston relocated to Speke sites.
- Consultation planned on the future of Muddy Footprints Garston.

Increase in competition base for childcare:

- All settings are graded good settings by Ofsted.
- Childcare participate in achievement of externally verified quality assurance schemes.
- Ambitious targets negotiated to ensure we achieve good outcomes for children.
- Ability to respond effectively and flexibly to 30 hours free funding for working parents.
- Completed garden extension and refurbishment for the children centre building.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2022 (continued)

Risk management (continued)

Changes to Children Centre's and Childcare Inspection Frameworks:

- Staff qualifications include Qualified Teacher Status, Early Years Practitioner and a high number of graduate qualifications across the organization.
- SMT participate in a number of peer support networks to explore best practice approaches.
- All existing policy, procedure, practice and information systems have been reviewed in line with proposed changes.
- Board and SMT have revised curriculum intent which is consistent with our community aspiration and context.
- SMT and whole staff are ongoing.
- All nursery settings have been inspected under the new framework and have been graded Good.

Lack of opportunity to build up adequate reserves in line with the organisations reserves policy:

- LCC will underwrite any potential redundancy of core children centre staff.
- Nursery sustained in year losses a recovery plan is in place as set out above.

Potential significant maintenance requirements arise in relation to the Children Centre Asset:

- Centre implements a regular maintenance programme.
- Agreement with SLH to enter into peppercorn lease agreement with option to purchase in July 2029.
- Ability to draw down some capital budget through LCC.

Failure to adequately safeguard children:

- Maintain robust policy implementation.
- Regular review of safeguarding policy and practice through case management systems and audit arrangements.
- Participation in multi –agency networks.
- Participation in Liverpool Safeguarding Partnership training programme and policy update service.
- Raising community awareness regarding keeping children safe.
- Staff, volunteers and board receive appropriate safeguarding training .
- SMT representatives support Liverpool Safeguarding Children's Board with dissemination of training.

Loss of key staff and pressures arising on the SMT:

- Focus on team development.
- Identified staff undertaking graduate qualifications.
- Succession planning in place.

Financial review

The accounts show an increase in income of £184,621 to £1,610,536 (2021 £1,425,915).

The trustees report a surplus of £66,684 (2021 £32,684).

Investments powers and policy

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

Policy on remuneration of key management personnel

The charity is committed to ensuring that we pay our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2022 (continued)

Policy on remuneration of key management personnel (continued)

The Board undertakes an annual review of salaries with the CEO in attendance, although the CEO does not participate in the discussions around their own salary. All salary reviews take account of the broader financial position of the organisation.

When carrying out its reviews, the Board has regard to:

- Industry benchmarks, including the pay grades of similar roles within the local authority, where services are commissioned by those bodies;
- making sure that pay rates are competitive within the sector;
- the remuneration package as a whole including pension contributions; and
- rewarding good performance.

Reserves policy

The charity's reserves policy is to build up an unrestricted reserve sufficient to enable the charity's activities to be continued for a period of 3 months should regular funding be reduced or become unobtainable.

This would provide the trustees with sufficient time to consider how the operations of the charity could be developed to enable its services to continue to be provided given the levels of funding available.

At present this level of reserves is realistically unobtainable but the trustees are looking at ways of increasing its incoming resources that would enable unrestricted reserves to be built up over a period of time.

Our business strategy is focused on the creation of a mixed economy that is:

- Less reliant on grant or a single source of income
- Builds on our existing enterprise portfolio and the creation of unrestricted reserves
- Ensures that all projects are based on the principles of full cost recovery

The build-up of a financial reserve is clearly linked to organisational performance and is wholly dependent on the organisation's ability to respond, develop and innovate within the context of our enterprise work.

This is consistent with our business mission:

"We will grow our services, innovatively, profitably and in accordance with our charitable mission."

In building sufficient reserves, we will be able to respond to potential risks and contingencies that may arise from time to time enabling us to meet financial risks associated with any contingency or uncertainty relating to the charity's operating activities. These include:

- The provision for an orderly winding-down of operations in the event of a significant adverse event that is outside the control of the charity.
- Shifts in legislation that may affect existing services provided for by the charity.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2022 (continued)

Structure, governance and management

Post balance sheet events

There are no significant post balance sheet events to report.

Governing document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 27th June 2001 as amended on 2nd March 2006 to allow for current governance arrangements.

The company was registered as a charity on 23rd January 2006.

Membership of the charity is open to individuals or organisations who qualify in accordance with the policy and criteria for admission of members made by the trustees.

Organisation

The board of trustees, which can have up to 9 members, administers the charity. The board meets at least four times a year and there are sub-committees covering finance, nominations and human resources.

A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Board has delegated authority to the Chief Executive for all operational matters including finance, employment and performance related activity.

Appointment of trustees

As set out in the Articles of Association the nominations committee will advise the charity on:

- Identification and selection of new trustees and making nominations to the AGM for the appointment of new trustees.
- Policy, criteria and other matters relating to membership of the charity.
- Appointment of the Chair, Deputy Chair, Treasurer and any other office holders.

The nominations committee has delegated authority to carry out its role detailed above and to make such nominations as it sees fit.

The charity is committed to the full involvement of parents in its strategic development and we would always seek to have a third of our membership made up of local parents. Currently 50% of the board is made up of local parents.

The trustees have the power to co-opt any person duly qualified to be appointed as a trustee to fill a vacancy in their number or as an additional trustee but a co-opted trustee holds office only until the next AGM.

All members are circulated with the invitations to nominate trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM.

Nominees appointed by Liverpool City Council and Liverpool Primary Care Trust are subject to the appointment processes of those bodies and the guidelines on appointment to public office as they apply to Local Government and Department of Health nominees.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2022 (continued)

Structure Trustee induction and training

New trustees undergo an induction to brief them on:

- Their legal obligations under charity and company law.
- The content of the Memorandum and Articles of Association.
- Decision making processes.
- The business plan.
- Recent financial performance of the charity.
- The Code of Conduct for Board Members.
- Their responsibilities for safeguarding children.

During the induction period board members arrangements are made for them to meet key employees and other trustees.

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. The charity ensures adequate funds are available for trustees to undertake training in relation to their roles and responsibilities.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's financial activities during the year and of its financial position at the end of the year.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2022 (continued)

Trustees' statement of disclosure of information to the auditors

Each of the persons who is a trustee at the date of approval of this report confirm in so far as they are aware that:

- 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 information and to establish that the auditors are aware of that information.

By Order of the Trustees



S. Roberts
Secretary

19 January 2023

Mitchell Charlesworth (Audit) Limited

Accountants

5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

**Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd**

For the year ended 31st March 2022

Opinion

We have audited the financial statements of Five Children and Families Trust Ltd (the 'charitable company') for the year ended 31st March 2022 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions

that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Mitchell Charlesworth (Audit) Limited

Accountants

5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

**Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd**

For the year ended 31st March 2022 [Continued]

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mitchell Charlesworth (Audit) Limited

Accountants

5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

**Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd**

For the year ended 31st March 2022 [Continued]

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- the charitable company's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and members of the Board of Trustees of their own identification of and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:

Mitchell Charlesworth (Audit) Limited

Accountants

5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd

For the year ended 31st March 2022 [Continued]

Identifying and assessing potential risks related to irregularities (continued)

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the charity's Statement of Financial Activities, (ii) the charity's accounting policy for revenue recognition, and (iii) the overstatement of salary and other costs. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and the Statement of Recommended Practice - 'Accounting and Reporting by Charities' issued by the joint SORP making body.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included Safeguarding and Data Protection regulations.

Audit response to risks identified

As a result of performing the above, we identified the presentation of the charitable company's Statement of Financial Activities, revenue recognition and overstatement of wages and other costs as the key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the Board of Trustees concerning actual and potential litigation and claims;

Mitchell Charlesworth (Audit) Limited

Accountants

5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd

For the year ended 31st March 2022 [Continued]

Audit response to risks identified (continued)

- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mitchell Charlesworth (Audit) Limited.

Mr Philip Griffiths

Senior Statutory Auditor

30 January 2023

On behalf of Mitchell Charlesworth (Audit) Limited

Statutory Auditor

3rd Floor
5 Temple Square
Temple Street
Liverpool
Merseyside L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31st March 2022

Summary Income and Expenditure Account

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Income from:					
Donations and legacies	2	33,892	3,779	37,671	168,337
Charitable activities	3	871,308	701,557	1,572,865	1,257,578
Total income		905,200	705,336	1,610,536	1,425,915
Expenditure on:					
Charitable activities	4	1,006,124	537,728	1,543,852	1,393,231
Total expenditure		1,006,124	537,728	1,543,852	1,393,231
Net income/(expenditure for the year)	7	(100,924)	167,608	66,684	32,684
Total funds brought forward		178,847	182,312	361,159	328,475
Total funds carried forward		77,923	349,920	427,843	361,159

The charity has no recognised gains or losses other than the results for the year as set out above. All activities of the charity are classed as continuing.

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31st March 2022

Comparative information for the year ended 31st March 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £
Income from:				
Donations and legacies	2	162,707	5,630	168,337
Charitable activities	3	840,289	417,289	1,257,578
Total income		1,002,996	422,919	1,425,915
Expenditure on:				
Charitable activities	4	864,610	528,621	1,393,231
Total expenditure		864,610	528,621	1,393,231
Net income/(expenditure for the year)	7	138,386	(105,702)	32,684
Total funds brought forward		40,461	288,014	328,475
Total funds carried forward		178,847	182,312	361,159

The charity has no recognised gains or losses other than the results for the year as set out above. All activities of the charity are classed as continuing.

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Balance Sheet 31st March 2022

	Notes	2022		2021	
		£	£	£	£
Fixed assets					
Tangible assets	10		240,196		236,932
Current assets					
Debtors	11	65,757		41,610	
Cash at bank and in hand		<u>328,847</u>		<u>295,834</u>	
		394,604		337,444	
Creditors					
Amounts falling due within one year	12	<u>(170,496)</u>		<u>(153,110)</u>	
Net current (liabilities)/assets			<u>224,108</u>		<u>184,334</u>
Total assets less current liabilities			464,304		421,266
Creditors					
Amounts falling due over one year	13		<u>(36,461)</u>		<u>(60,107)</u>
			<u>427,843</u>		<u>361,159</u>
Funds					
Unrestricted funds					
General funds	17		77,923		178,847
Restricted funds	18		<u>349,920</u>		<u>182,312</u>
Total funds	19		<u>427,843</u>		<u>361,159</u>

The accounts on pages 18 to 32 were approved by the trustees and authorised for issue on 19 January 2023 and signed on their behalf by:-



M Ord
Trustee

Company Registration Number: 4241965

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Cash Flows for the year ended 31st March 2022

	Notes	2022		2021	
		£	£	£	£
Cash flow from operating activities	22		138,115		207,213
Cash flow from investing activities					
Payments to acquire tangible fixed assets		(71,172)		(37,837)	
Net cash flow from investing activities			(71,172)		(37,837)
Cash flow from financing activities					
New loans		-		50,000	
Repayments of loans		(23,055)		(17,027)	
Interest paid		(10,875)		(4,970)	
Net cash flow from financing activities			(33,930)		28,003
Change in cash and cash equivalents in the year ending 31st March 2022			33,013		197,379
Cash and cash equivalents as at 1st April 2021			295,834		98,455
Cash and cash equivalents as at 31st March 2022	23		328,847		295,834

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2022

1. Summary of significant accounting policies

(a) General information and basis of preparation

Five Children and Families Trust is a company limited by guarantee and a registered charity in the United Kingdom. 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. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees' Report on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

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

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2022

1. Summary of significant accounting policies (continued)

(c) Income recognition (continued)

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to special performance conditions and is recognised as earned as the related services are provided. Grant income included in this category provides funding to support performance activities and is recognised when there is entitlement, certainty of receipt and the amounts can be measured with sufficient reliability.

Investment income is earned through holding assets for investment purposes such as bank deposits. It essentially includes interest which is recognised using the effective interest method.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes expenditure running the Children Centre and activities provided therein.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Children's Centre. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 5.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Building improvements	-	10% per annum
Fixtures and fittings	-	25% per annum

(g) Investments

Investments are recognised at fair value which is normally the transaction price excluding transaction costs, less impairment.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2022

1. Summary of significant accounting policies (continued)

(h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(i) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

(j) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(k) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(l) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(m) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(n) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements and having due regard to the impact of Covid-19. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2022

2. Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and other sundry income	3,857	3,779	7,636	32,326
Covid support grants	30,035	-	30,035	136,011
	<u>33,892</u>	<u>3,779</u>	<u>37,671</u>	<u>168,337</u>

£6,006 of the above income in 2021 was attributed to restricted funds and £6,094 of the above income in 2021 was attributed to unrestricted funds.

3. Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2022 £	Total 2021 £
Children's Centres – Liverpool City Council	-	296,168	296,168	271,270
Nursery income	723,181	-	723,181	753,481
Letting of Centre	28,738	-	28,738	17,294
Health and wellbeing	-	175,326	175,326	140,149
Kids Club	52,955	-	52,955	53,865
Other	66,434	230,063	296,497	21,519
	<u>871,308</u>	<u>701,557</u>	<u>1,572,865</u>	<u>1,257,578</u>

£461,444 of the above income in 2021 was attributed to restricted funds and £709,311 of the above income in 2021 was attributed to unrestricted funds.

4. Analysis of expenditure on charitable activities

	Direct costs £	Support costs £	Total 2022 £	Total 2021 £
Children's Centres	265,235	9,317	274,552	390,821
Nursery	752,626	34,898	787,524	633,993
Health and wellbeing	153,823	-	153,823	70,500
Building and support	72,260	165,145	237,405	144,740
Kids Club	60,297	-	60,297	56,681
Other	28,713	1,538	30,251	96,496
	<u>1,332,954</u>	<u>210,898</u>	<u>1,543,852</u>	<u>1,393,231</u>

£537,728 (2021 £528,621) of the above costs were attributed to restricted funds and £1,006,124 (2021 £864,610) of the above costs were attributed to unrestricted funds.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2022

5. Support costs	Total 2022 £	Total 2021 £
Staff and volunteer costs	13,463	144,542
Premises costs	70,526	21,956
Depreciation	67,908	75,790
Office costs	15,456	14,183
Legal and professional	9,107	4,798
Information technology	1,299	1,007
Other	18,329	25,234
Governance costs (note 6)	14,810	7,315
	<u>210,898</u>	<u>294,825</u>
	=====	=====
6. Governance costs	Total 2022 £	Total 2021 £
Fees payable to the charity's auditor (and its associates) for the audit of the charity's annual accounts	14,810	7,315
	<u>14,810</u>	<u>7,315</u>
	=====	=====
7. Net incoming/(outgoing)resources for the year	Total 2022 £	Total 2021 £
This is stated after charging:		
Depreciation	63,791	75,790
Audit fee	14,810	7,315
	<u>78,601</u>	<u>83,105</u>
	=====	=====
8. Staff costs and numbers	Total 2022 £	Total 2021 £
Salaries and wages	1,000,940	921,798
Social security costs	58,868	45,166
Other pension costs	27,666	26,890
	<u>1,087,474</u>	<u>993,854</u>
	=====	=====
There are no employees earning at the rate of £60,000 or more per annum.		
The average weekly number of employees during the year, was as follows:-	2022	2021
	Number	Number
Total	54	54
	<u>54</u>	<u>54</u>
	=====	=====

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2022

9. Trustees' and key management

One of the trustees received remuneration during the year totalling £5,346 (2021 £4,386). This remuneration was in respect of sessional work performed to provide short term cover for sickness and other absences. No expenses (2021 £Nil) were reimbursed to any trustees (2021 - 0) during the year.

The total amount of employee benefits received by key management personnel is £151,677 (2021 £147,452).

The charity considers its key management personnel to comprise the Programme Director, Deputy Children's Centre Manager, Building Manager and Team Leader and Nursery Manager.

10. Tangible fixed assets

Cost	Building improvements £	Fixtures and equipment £	Total £
At 1st April 2021	460,505	130,825	591,330
Additions	67,919	3,253	71,172
31st March 2022	528,424	134,078	662,502
Depreciation			
At 1st April 2021	228,266	126,132	354,398
Charge for the year	65,872	2,036	67,908
At 31st March 2022	294,138	128,168	422,306
Net book value			
At 31st March 2022	234,286	5,910	240,196
At 31st March 2021	232,239	4,693	236,932

11. Debtors

	2022 £	2021 £
Trade debtors	65,757	41,610

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2022

12. Creditors: Amounts falling due within one year	2022	2021
	£	£
Bank loan	9,607	3,932
Keyfund loan	14,039	19,123
Trade creditors	48,459	49,993
Accruals and deferred income	79,132	44,350
Social security and other taxes	19,259	30,721
Other creditors	-	4,991
	<u>170,496</u>	<u>153,110</u>

13. Creditors: Amounts falling due after more than one year	2022	2021
	£	£
Bank loan	36,461	46,068
Keyfund loan	-	14,039
	<u>36,461</u>	<u>60,107</u>

The remaining loan from the Key Fund is unsecured, with interest charged at 12% per annum.

The charity took out a loan from Barclays Bank plc under the terms of the Covid Bounce Back loan scheme. The loan is unsecured, is repayable by October 2026 and interest is currently charged at 2.5% per annum.

14. Maturity of debt	2022	2021
	£	£
Creditors include finance capital which is due for repayment as follows:-		
Amounts repayable:-		
In one year or less or on demand	23,646	23,055
In more than one year but not more than two years	9,850	23,648
In two to five years	26,611	36,460
	<u>60,107</u>	<u>83,162</u>

15. Capital commitments

There were no capital commitments at 31st March 2022 and 31st March 2021.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2022

16. Members' liability

The company is limited by guarantee and has no share capital. Every member of the Association undertakes to contribute to the assets of the company, in the event of being wound up while he or she is a member or within one year of ceasing to be a member for debts and liabilities of the company contracted before he or she ceases to be a member, such amount as may be required not exceeding £1.

17. Unrestricted funds

	As at 01.04.21 £	Income £	Expenditure £	As at 31.03.22 £
General fund	178,847	905,200	(1,006,124)	77,923
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Comparative information in respect of the preceding period is as follows:-

	As at 01.04.20 £	Income £	Expenditure £	As at 31.03.21 £
General fund	40,461	1,002,996	(864,610)	178,847
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18. Restricted funds

	As at 01.04.21 £	Income £	Expenditure £	As at 31.03.22 £
Children's centre grants:				
Children's centre - Liverpool City Council	-	286,434	(286,434)	-
Garston centre - Liverpool City Council	-	9,734	(9,734)	-
Nursery grants:				
Liverpool City Council Capital Grant	8,780	-	(8,780)	-
Liverpool City Council Capital Grant 2	143,999	-	(41,067)	102,932
DHL UK Foundation	3,000	-	(1,500)	1,500
Bambinis	23,261	90,900	(76,875)	37,286
Youth Consortium	-	84,426	(84,426)	-
Sundry grants:				
Liverpool City Council Projects - Beat abuse	-	200,000	(850)	199,150
Autism - Liverpool City Council	-	24,300	(19,300)	5,000
Hardship fund	3,272	800	(20)	4,052
Young Advisors	-	4,963	(4,963)	-
Other	-	3,779	(3,779)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	182,312	705,336	(537,728)	349,920
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2022

18. Restricted funds (continued)

Comparative information in respect of the preceding period is as follows:-

	As at 01.04.20 £	Income £	Expenditure £	As at 31.03.21 £
Children's centre grants:				
Children's centre - Liverpool City Council	-	261,566	(261,566)	-
Garston centre - Liverpool City Council	39,430	9,704	(49,134)	-
Nursery grants:				
Liverpool City Council Capital Grant	19,350	-	(10,570)	8,780
Liverpool City Council Capital Grant 2	185,066	-	(41,067)	143,999
DHL UK Foundation	4,500	-	(1,500)	3,000
Key Fund Grant	4,250	-	(4,250)	-
Bambinis	27,872	73,702	(78,313)	23,261
Mentor	-	-	-	-
Other	-	5,630	(5,630)	-
Youth Consortium	-	66,447	(66,447)	-
Sundry grants:				
Hardship fund	3,882	5,870	(6,480)	3,272
Mayoral fund	3,664	-	(3,664)	-
	<u>288,014</u>	<u>422,919</u>	<u>(528,621)</u>	<u>182,312</u>

Children's Centre – Liverpool City Council

This project is funded by the Government through Local authorities and can only be used for Children's Centre Services as defined and agreed with the Local Authority/Government under a Service Level Agreement.

Nursery and Kids Club (Childcare Provision)

We operate a 0 – 5 year old nursery alongside a 4 – 12 year old Kids Club. Grant funding has been received to develop and enhance Childcare provision and staff training together with Nursery Educational Fund. This is paid from the Local Authority but forms part of an individual entitlement for all children aged 3-4 to receive 15 hours free childcare. Similarly we have been in receipt of a fund piloting the same entitlement for 2 year olds this programme is now being launched nationally.

Liverpool City Council Capital Grant

Liverpool City Council awarded a grant for the restructure and expansion of the Nursery. The major works were completed in 2013/14.

DHL UK Foundation

DHL provided a total of £15,000 as a contribution towards alterations to the Nursery space.

Bambinis

Bambinis is a community led initiative working to support women to initiate and sustain breastfeeding. The charity receives funding through a service level agreement with Liverpool City Council to deliver this citywide service operating through Liverpool Women's Hospital Trust and Liverpool Children Centres.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2022

19. Analysis of net assets between funds	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	135,764	104,432	240,196
Net current assets	(21,380)	245,488	224,108
Creditors due after one year	(36,461)	-	(36,461)
Net assets at 31st March 2022	77,923	349,920	427,843

Comparative information in respect of the preceding period is as follows:-

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	81,153	155,779	236,932
Net current assets	157,801	26,533	184,334
Creditors due after one year	(60,107)	-	(60,107)
Net assets at 31st March 2021	178,847	182,312	361,159

20. Related party transactions

There are no related party transactions other than those referred to in note 9 to the accounts.

21. Pension costs

The employers' contributions into the individual pension plans of certain employees amounted to £27,666 (2021 £26,890) and the amount unpaid and included in creditors at 31st March 2022 was £5,921 (2021 £4,666).

22. Reconciliation of net income/(expenditure) to net cash flow from Operating activities	Total 2022 £	Total 2021 £
Net income/(expenditure) for the year	66,684	32,684
Depreciation charges	67,908	75,790
Interest payable	10,875	4,970
(Increase)/decrease in debtors	(24,147)	13,842
Increase in creditors	16,795	79,927
Net cash flow from operating activities	138,115	207,213

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2022

23. Analysis of net debt	At 1 April 2021 £	Cash flows £	Non-cash movements £	At 31 March 2022 £
Cash at bank	290,944	33,528	-	324,472
Cash in hand	4,890	(515)	-	4,375
	<u>295,834</u>	<u>33,013</u>	<u>-</u>	<u>328,847</u>
Debt due within one year	(23,055)	23,055	(23,646)	(23,646)
Debt due after more than one year	(60,107)	-	23,646	(36,461)
	<u>212,672</u>	<u>56,068</u>	<u>-</u>	<u>268,740</u>

FIVE CHILDREN AND FAMILIES TRUST LTD

England & Wales - Charity number 1112796

Accounts

FIVE CHILDREN AND FAMILIES TRUST LTD
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND ACCOUNTS

for the year ended

31st March 2021

REGISTERED NUMBER: 4241965

CHARITY NUMBER: 1112796

FIVE CHILDREN AND FAMILIES TRUST LTD

Accounts

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FIVE CHILDREN AND FAMILIES TRUST LTD

Company Information 31st March 2021

Company number:	4241965
Charity number:	1112796
Trustees:	P R Bostock (Chair) B Prescott P M Freeman M Ord A Hughes
Secretary:	S Roberts
Chief Executive:	S Roberts
Registered office:	Conleach Road Speke Liverpool L24 0TW
Bankers:	Co-operative Bank plc Po Box 250 Delf House Southway Skelmersdale WN8 6WT
Solicitors:	Hill Dickinson LLP No.1 St. Paul's Square Liverpool L3 9SJ
Auditor:	Mitchell Charlesworth LLP Chartered Accountants Statutory Auditor 5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2021

The trustees (who are also the directors of the company for the purposes of company law) present their report together with the audited accounts of the charity for the year ended 31st March 2021. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

Trustees

The trustees who served during the year are detailed on page 1.

P M Freeman and B Prescott retire by rotation and being eligible, offer themselves for re-election.

Objects and activities

The objects of the charity are to:

- Promote the physical, intellectual and social development and education of pre-school and young children particularly those who are disadvantaged or who have special needs and to ensure that they are ready to flourish when they get to school by working with families, foster and surrogate families and caring for and nurturing children.
- Advance the education of the public in all aspects of the development of young children including speech and language.
- Relieve poverty, sickness and distress among those in necessitous circumstances.
- Relieve unemployment in such ways as may be thought fit including assistance to find employment, and
- Carry out such other exclusively charitable purposes as may be conveniently or advantageously carried out in conjunction with the primary objects.

The charity has the general aim of working in partnership to deliver better outcomes for children and families.

The main objectives for the year continue to be the delivery of our children centre contract, particularly focusing on enhanced family support through our parent mentor project, improving access to employment and the promotion of healthy lifestyles, in particular focusing on mental wellbeing and diet and nutrition.

Strategic Report

Achievements and performance

Five Children Centre

We commenced the April 2020 financial year in a national lockdown, with a robust plan in place to ensure that its impact was minimised for our employees and our community. Our Board was committed to ensuring no employees were financially impacted through shielding or furlough requirements. We also maintained front line service delivery within our children centres although our focus and delivery methods were amended. There was a significant focus on poverty with many parents losing their jobs or living on reduced income due to Furlough, and the strain of having children at home all day.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2021 (continued)

Achievements and Performance (continued)

Our Focus on Poverty

Locally child poverty remains a stubborn issue and whilst we rank 11th with regard to the percentage of children living in poverty, we rank 3rd in respect of the volume of children who live in poverty. 1,172 children were defined as living in absolute poverty with a further 1,409 children living in relative low-income families. Participation in delivery of free school meal vouchers provided us with intelligence to effectively target those children and their families throughout the year.

In this financial year we:

- Distributed £24,120 worth of free school meal vouchers to 1,609 children.
- Launched our Christmas Day in a Box appeal and worked closely with other local charities and our Local Councillors in order to maximise impact across the ward and to ensure that there was no duplication across services.
- We raised an additional £25,000 through a fundraising appeal which was supported through a Just Giving Page and donations from Local Businesses.
- We supported 807 families with a Christmas Hamper.
- Those with 3 or more children and a child under the age of 5, who were most likely to be living in absolute poverty, also received a £45 food voucher (297 families).
- Families also received toys and children's pyjamas.
- A further 869 families were supported throughout the year with the distribution of 2,877 food parcels.

All recorded data is taken from our Estart Data Base which is enabled for data relating to families with a child under the age of 5 and the Local Authority Revenues and Benefits data in relation to free school meals.

We also continued to operate a food bank with South Liverpool Homes gifting their food allocation from Fareshare to the Centre, enabling us to offer enhanced Food Poverty support. To avoid barriers to accessing support we did not collect data but a significant number of families and single person households were enabled to access the Centres Community Fridge without stigma. It is estimated that 50 families and individuals accessed this support on a regular basis each week.

Children Centre Activities

Across our children centres we worked with 2,322 families during this reporting period this included 1,394 children aged under 4 years old with a total of 25,576 individual client contacts. This is an overall slight reduction from the previous year although Five Children Centre increased the numbers of 0-4 year old's seen in Speke and achieved an overall reach target of 78% of children seen, an increase of 13% on the previous year. In the context of poverty, the Centres achieved a target of 77% of children seen, who live in the 1-5% most deprived communities.

Overall the children centre activities included:

- Achievement of 5,269 welfare calls, which were made to 3,085 clients.
- A continued response to client need, with 532 home visits and community outreach support visits recorded.
- Working with our childcare team to distribute regular home learning packs to all children unable to attend childcare. 113 children benefitted from weekly learning activities.
- Working with Onward Housing to host a Family Picnic and Sports Day; 50 families participated each receiving support for picnic food and a traditional sports day kit.
- Centre based support continued with 540 contacts recorded.
- 76 children with specific special educational needs and disability were provided with specific support, 24 with significant speech and language delay. Support includes targeted speech and language intervention, early referral to specialist services and support with Education and Health Care Plans, access to Disability Living Allowance and school transition.
- Universal Early Learning Groups were cancelled for much of the year however we were able to offer accredited learning to 53 parents this included accredited parenting and You and Me Mum Domestic Abuse programme.
- School links were maintained and 3 Local schools participated in Christmas activities benefitting 85 children.
- We delivered virtual story telling sessions to 35 families.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2021 (continued)

Achievements and Performance (continued)

Children Centre Activities (continued)

Partnership working was very different throughout this challenging Covid period, and a lot of work was undertaken via telephone and zoom, however we continued to maintain our contact with multi-agency partners to ensure a shared approach to highlighting vulnerable families and safeguarding children. Partners who would normally offer services from our Centre were unable to do so as they also entered the virtual world due to Government restrictions. Negotiations began to reinstate services and plan for new services and in the new year we are excited to be working with a new therapeutic project run by PSS focusing on early bonding. The project is led by a clinical psychology team, and we will introduce a new antenatal parenting programme Mellow Bumps, Children Centre practitioners will support delivery of the programme.

South Liverpool CAB have also set up a perinatal support team through a social prescribing model and they will attend antenatal services at the Centre.

Five Childcare

Having opened our new Muddy Footprints Early Years Centre, we entered a period of Covid restriction making for a very difficult year. A number of practitioners were required to shield, and Government restrictions meant that we could only offer care to vulnerable children and those whose parents were designated key workers. Initially the definition of key workers was narrow and whilst children with Education Health and Care Plans (EHCP) were defined as vulnerable our very young children would not have been assessed. Crucially within early years we are working with children who have complex needs and are required to follow a specific trajectory in terms of support, termed graduated approaches. This feeds into their EHCP so impact of Covid was significant for many young children and more so for those children who we knew would meet the requirements for an EHCP assessment, they were not allowed to access the setting and as a result were unable to fully access graduated approaches. All children were impacted however the transition back into care was more difficult for these children, nonetheless we continued to support and advocate on behalf of these children.

We were prepared to stay open and worked closely with the Local Authority to ensure that where other settings adopted a blanket approach to close their doors to ensure Key Workers could access provision. Despite this for the first quarter we were unable to attract sufficient numbers to maintain our full service provision and took the decision to close our Muddy footprints site.

Local schools were designated as hubs; however, they were unable to offer wrap around services. As such several children of school age were accommodated by our Five Childcare Setting. This was free of charge as we did not want to pass on charges to parents and schools were unable to release their budgets.

No parents were charged if they were unable to access childcare as a result of Covid.

We were successful in securing funding through Mayoral Inclusive Growth Fund to carry out a major refurbishment of our onsite nursery garden, which also has a community element so that parents using the Children Centre can also access the garden.

Practitioners who were furloughed worked on rotation and received 100% of their salary for the duration of Covid interruption to services.

We are still awaiting Ofsted inspections for our Muddy Footprints site, but they have been rated as “green” by the Local Authority, School Improvement Team our 2021 Ofsted Inspection saw us graded good. The Inspectors were very impressed by how we had managed our responses to supporting parents and children and our practitioners throughout the pandemic.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2021 (continued)

Achievements and Performance (continued)

Five Childcare (continued)

The Inspector noted that, *“The revised drop off arrangements due to the COVID-19 (coronavirus) pandemic do not affect children. They eagerly bound in ready to play and explore. Children have developed very warm attachments to staff. This contributes to their high levels of self-esteem, sense of belonging and emotional security. Children of all ages demonstrate a positive attitude to learning and clearly love spending time at this inclusive and nurturing nursery”*

Our planned intensive focus on supporting personal, social and emotional development, during and following the lockdown, paid dividends and ensured our children across all sites were prepared for learning.

Public Benefit Statement

The Children Centre contract has a 100% focus on public benefit for children and families in Speke Garston and Cressington wards.

We support working parents with advice and guidance, ensuring maximum take up of childcare tax credits reducing fees by as much as 80% for the majority of parents and currently our ratio of free childcare provision stands at 60% compared to 40% fee paying.

We maintained and built on our links with local businesses who support our Food Poverty Work and would like to thank:

AstraZeneca, Fords, Nandos, Moreton’s Dairy and Bid Foods all of whom have supported us to ensure families can have access to food and resources throughout the year and in particular over holiday periods.

Additionally, many local businesses impacted by Covid made very generous donations of luxury goods and food items which we redistributed to families. This included TK Maxx, Sayers and Subway.

Through our Children Centre work we also supported families to access Liverpool Citizen’s Support Scheme (White Goods), Channel J (Furniture and equipment) and the Family Fund (Holidays). Our SEND Link workers also assist with the preparation of Disability Living Allowance applications and appeals on behalf of children with Special Educational Needs and Disability (SEND). We actively advocate on behalf of SEND children in terms of ensuring they are able to access support through the early years consortia and ensure Education and Health Care Plans are in place prior to them starting school.

The Charity also took on the Lead Responsibility role for the Speke Garston and Cressington Youth and Play provision brokering finance with the Local Authority and Ward Councillors.

We continue to provide free training and consultancy to other local community organisations on policy development, HR and Charity matters and Safeguarding Children.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2021 (continued)

Public Benefit Statement

The Children Centre contract has a 100% focus on public benefit for children and families in Speke Garston and Cressington wards.

We support working parents with advice and guidance, ensuring maximum take up of childcare tax credits reducing fees by as much as 80% for the majority of parents and currently our ratio of free childcare provision stands at 57% compared to 43% fee paying.

We continue to build links with local businesses who support our Food Poverty Work and would like to thank: AstraZeneca, Nandos, Moreton's Dairy, Fords and Bid Foods all of whom have supported us to ensure families can have access to food and resources throughout the year and in particular over holiday periods.

Through our Children Centre work we also support families to access Liverpool Citizen's Support Scheme (White Goods), Channel J (Furniture and equipment) and the Family Fund (Holidays). Our SEND Link workers also assist with the preparation of Disability Living Allowance applications and appeals on behalf of children with SEND.

Additionally, we provide free rooms to a number of organisations and groups to support community cohesion and client health and wellbeing, this has included:

- Riverside Floating Housing Support Scheme
- Speke Training and Education Centre
- Alder Hey
- Advanced Solutions
- New Futures
- Liverpool City Council
- Merseycare NHS Trust
- Connexions
- Liverpool Citizen's Advice Bureau
- South Liverpool Domestic Abuse Service

This year we also actively supported local and citywide strategic development offering multi-agency meeting spaces to partners developing the Transforming Women and Children's Services agenda in Liverpool. This led to our participation in a 100 Day Challenge facilitated by NESTA which involved the collaboration of partners from a range of disciplines to develop new approaches to service delivery. The charity chaired the group and collectively we agreed new approaches to community development through the establishment of Cake Clubs and a Bite size parenting programme both facilitated by multi-agency partners. It influenced our approaches to supporting children with SEND with the establishment of health led children's multi-disciplinary team meetings and improving consistency with regard to supporting children with delayed language and communication.

We have also provided training and consultancy to other local community organisations on policy development, HR matters and Safeguarding Children.

Risk management

A full risk assessment register has been completed including any risks associated with new proposals. A summary of key risks is set out below and includes the impact of Covid 19:

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees

for the year ended 31st March 2021 (continued)

Risk management (continued)

Covid 19 Staff:

- Full and immediate individual risk assessment of all staff, in particular those considered as vulnerable to the impact of Covid 19.
- Board and SMT commitment to maintain 100% of all salary payments
- Work at home and in work protocols in place.
- Regular contact maintained with shielding staff.
- Risk assessments agreed based on Department for Education and Local Authority guidelines

Covid19 Financial Impact:

- Government commitment to maintain funding for 2-Year-Old children and Nursery Education Funding..
- Funding for all children centre posts maintained through Local Authority.
- Partial access to Government Furlough scheme.
- Deployment of staff to ensure all aspects of the business function.

Covid 19 Community Impact:

- Children centre and childcare staff identified as “Critical Workers” all setting to remain open to the public.
- All children unable to attend childcare provided with regular key person contact and home working packs.
- Reviewed all working practices to enable regular contact through new mediums this includes, delivery of Zoom Sessions, regular welfare calls, provision of food and vouchers, 1:1 contact, delivery of activity packs, maintenance of antenatal services.
- Offering a broader community focus as the only provider operational in Speke.
- Regular review of all risk assessments to ensure staff and community safety at all times.

Loss of childcare revenues:

- Ongoing joint working across Liverpool Children Centre Network to support joint income generation.
- New tenancies have been achieved across both children centre sites which support joint working.

Increase in competition base for childcare

- Forest School activity provides for unique selling point.
- Childcare participate in achievement of externally verified quality assurance schemes.
- Ambitious targets negotiated to ensure we achieve good outcomes for children.
- Ability to respond effectively and flexibly to 30 hours free funding for working parents
- Completed garden extension and refurbishment for the children centre building.

Changes to Children Centre’s and Childcare Inspection Frameworks

- Centre works closely with Local Authority Quality Improvement Officers and Children Centre Central Service Team.
- Employee qualifications include Qualified Teacher Status, Early Years Practitioner and a high number of graduate qualifications across the organisation.
- A number of employees are enrolled on L5 and L6 degrees which will be completed 2022.
- SMT participate in a number of peer support networks to explore best practice approaches.
- All existing policy, procedure, practice and information systems have been reviewed in line with proposed changes.
- Board and SMT have revised curriculum intent which is consistent with our community aspiration and context.
- SMT and whole centre training is ongoing.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2021 (continued)

Risk management (continued)

Lack of opportunity to build up adequate reserves in line with the organisations reserves policy

- LCC will underwrite any potential redundancy of core children’s centre staff.
- Nursery is achieving small profit we currently have waiting lists and we have achieved a wider childcare footfall.

Potential significant maintenance requirements arise in relation to the Children Centre Asset

- Centre implements a regular maintenance programme.
- Agreement with SLH to enter into peppercorn lease agreement with option to purchase in July 2029.
- Ability to draw down some capital budget through LCC.

Failure to adequately safeguard children:

- Maintain robust policy implementation.
- Regular review of safeguarding policy and practice through case management systems and audit arrangements.
- Participation in multi –agency networks.
- Participation in Liverpool Safeguarding Partnership training programme and policy update service.
- Raising community awareness regarding keeping children safe.
- Staff, volunteers and board receive appropriate safeguarding training.
- SMT representatives support Liverpool Safeguarding Children’s Board with dissemination of training.

Loss of key staff and pressures arising on the SMT

- Focus on team development.
- Identified staff undertaking graduate qualifications.
- Succession planning in place.

Financial review

The accounts show an increase in income of £243,060 to £1,425,915 (2020 £1,182,855).

The trustees report a surplus of £32,684 (2020 deficit £13,390).

Investments powers and policy

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

Policy on remuneration of key management personnel

The charity is committed to ensuring that we pay our staff fairly and in a way which ensures we attract and retain the right skills to have the greatest impact in delivering our charitable objectives.

The Board undertakes an annual review of salaries with the CEO in attendance, although the CEO does not participate in the discussions around their own salary. All salary reviews take account of the broader financial position of the organisation.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2021 (continued)

Policy on remuneration of key management personnel (continued)

When carrying out its reviews, the Board has regard to:

- Industry benchmarks, including the pay grades of similar roles within the local authority, where services are commissioned by those bodies;
- making sure that pay rates are competitive within the sector;
- the remuneration package as a whole including pension contributions; and
- rewarding good performance.

Reserves policy

The charity's reserves policy is to build up an unrestricted reserve sufficient to enable the charity's activities to be continued for a period of 3 months should regular funding be reduced or become unobtainable.

This would provide the trustees with sufficient time to consider how the operations of the charity could be developed to enable its services to continue to be provided given the levels of funding available.

At present this level of reserves is realistically unobtainable but the trustees are looking at ways of increasing its incoming resources that would enable unrestricted reserves to be built up over a period of time.

Our business strategy is focused on the creation of a mixed economy that is:

- Less reliant on grant or a single source of income
- Builds on our existing enterprise portfolio and the creation of unrestricted reserves
- Ensures that all projects are based on the principles of full cost recovery

The build-up of a financial reserve is clearly linked to organisational performance and is wholly dependent on the organisation's ability to respond, develop and innovate within the context of our enterprise work.

This is consistent with our business mission:

"We will grow our services, innovatively, profitably and in accordance with our charitable mission."

In building sufficient reserves, we will be able to respond to potential risks and contingencies that may arise from time to time enabling us to meet financial risks associated with any contingency or uncertainty relating to the charity's operating activities. These include:

- The provision for an orderly winding-down of operations in the event of a significant adverse event that is outside the control of the charity.
- Shifts in legislation that may affect existing services provided for by the charity.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2021 (continued)

Structure, governance and management

Post balance sheet events

There are no significant post balance sheet events to report.

Governing document

The charity is a company limited by guarantee and is governed by its Memorandum and Articles of Association dated 27th June 2001 as amended on 2nd March 2006 to allow for current governance arrangements.

The company was registered as a charity on 23rd January 2006.

Membership of the charity is open to individuals or organisations who qualify in accordance with the policy and criteria for admission of members made by the trustees.

Organisation

The board of trustees, which can have up to 9 members, administers the charity. The board meets at least four times a year and there are sub-committees covering finance, nominations and human resources.

A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Board has delegated authority to the Chief Executive for all operational matters including finance, employment and performance related activity.

Appointment of trustees

As set out in the Articles of Association the nominations committee will advise the charity on:

- Identification and selection of new trustees and making nominations to the AGM for the appointment of new trustees.
- Policy, criteria and other matters relating to membership of the charity.
- Appointment of the Chair, Deputy Chair, Treasurer and any other office holders.

The nominations committee has delegated authority to carry out its role detailed above and to make such nominations as it sees fit.

The charity is committed to the full involvement of parents in its strategic development and we would always seek to have a third of our membership made up of local parents. Currently 50% of the board is made up of local parents.

The trustees have the power to co-opt any person duly qualified to be appointed as a trustee to fill a vacancy in their number or as an additional trustee but a co-opted trustee holds office only until the next AGM.

All members are circulated with the invitations to nominate trustees prior to the AGM advising them of the retiring trustees and requesting nominations for the AGM.

Nominees appointed by Liverpool City Council and Liverpool Primary Care Trust are subject to the appointment processes of those bodies and the guidelines on appointment to public office as they apply to Local Government and Department of Health nominees.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2021 (continued)

Structure Trustee induction and training

New trustees undergo an induction to brief them on:

- Their legal obligations under charity and company law.
- The content of the Memorandum and Articles of Association.
- Decision making processes.
- The business plan.
- Recent financial performance of the charity.
- The Code of Conduct for Board Members.
- Their responsibilities for safeguarding children.

During the induction period board members arrangements are made for them to meet key employees and other trustees.

Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role. The charity ensures adequate funds are available for trustees to undertake training in relation to their roles and responsibilities.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare accounts for each financial year which give a true and fair view of the charitable company's financial activities during the year and of its financial position at the end of the year.

In preparing these accounts, the trustees are required to:

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

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FIVE CHILDREN AND FAMILIES TRUST LTD

Report of the Trustees for the year ended 31st March 2021 (continued)

Trustees' statement of disclosure of information to the auditors

Each of the persons who is a trustee at the date of approval of this report confirm in so far as they are aware that:

- 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 information and to establish that the auditors are aware of that information.

By Order of the Trustees



S. Roberts
Secretary

24 March 2022

Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

**Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd**

For the year ended 31st March 2021

Opinion

We have audited the financial statements of Five Children and Families Trust Ltd (the 'charitable company') for the year ended 31st March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions

that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of Five Children and Families Trust Ltd

For the year ended 31st March 2021 [Continued]

Other information

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' 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; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

**Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd**

For the year ended 31st March 2021 [Continued]

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 11, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- the charitable company's own assessment of the risks that irregularities may occur either as a result of fraud or error;
- the results of our enquiries of management and members of the Board of Trustees of their own identification of and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the charitable company's documentation of their policies and procedures relating to:

Mitchell Charlesworth LLP

Chartered Accountants

5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

**Independent Auditor's Report to the Members of
Five Children and Families Trust Ltd**

For the year ended 31st March 2021 [Continued]

Identifying and assessing potential risks related to irregularities (continued)

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:

(i) The presentation of the charity's Statement of Financial Activities, (ii) the charity's accounting policy for revenue recognition, and (iii) the overstatement of salary and other costs. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the charitable company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and the Statement of Recommended Practice - 'Accounting and Reporting by Charities' issued by the joint SORP making body.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the charitable company's ability to operate or to avoid a material penalty. These included Safeguarding and Data Protection regulations.

Audit response to risks identified

As a result of performing the above, we identified the presentation of the charitable company's Statement of Financial Activities, revenue recognition and overstatement of wages and other costs as the key audit matters related to the potential risk of fraud. The key audit matters section of our report explains the matters in more detail and also describes the specific procedures we performed in response to those key audit matters.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with relevant laws and regulations described above as having a direct effect on the financial statements;
- enquiring of management and members of the Board of Trustees concerning actual and potential litigation and claims;

Mitchell Charlesworth LLP

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5 Temple Square Temple Street Liverpool L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Independent Auditor's Report to the Members of Five Children and Families Trust Ltd

For the year ended 31st March 2021 [Continued]

Audit response to risks identified (continued)

- reading minutes of meetings of those charged with governance and reviewing correspondence with relevant authorities where matters identified were significant;
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mitchell Charlesworth

Mr Philip Griffiths
Senior Statutory Auditor

25 March 2022

On behalf of Mitchell Charlesworth LLP
Statutory Auditor

3rd Floor
5 Temple Square
Temple Street
Liverpool
Merseyside L2 5RH

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31st March 2021

Summary Income and Expenditure Account

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Income from:					
Donations and legacies	2	162,707	5,630	168,337	12,100
Charitable activities	3	840,289	417,289	1,257,578	1,170,755
Total income		<u>1,002,996</u>	<u>422,919</u>	<u>1,425,915</u>	<u>1,182,855</u>
Expenditure on:					
Charitable activities	4	864,610	528,621	1,393,231	1,196,245
Total expenditure		<u>864,610</u>	<u>528,621</u>	<u>1,393,231</u>	<u>1,196,245</u>
Net income/(expenditure for the year)	7	138,386	(105,702)	32,684	(13,390)
Total funds brought forward		<u>40,461</u>	<u>288,014</u>	<u>328,475</u>	<u>341,865</u>
Total funds carried forward		<u>178,847</u>	<u>182,312</u>	<u>361,159</u>	<u>328,475</u>

The charity has no recognised gains or losses other than the results for the year as set out above. All activities of the charity are classed as continuing.

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31st March 2021

Comparative information for the year ended 31st March 2020

	Notes	Unrestricted funds £	Restricted funds £	Total 2020 £
Income from:				
Donations and legacies	2	6,094	6,006	12,100
Charitable activities	3	<u>709,311</u>	<u>461,444</u>	<u>1,170,755</u>
Total income		<u>715,405</u>	<u>467,450</u>	<u>1,182,855</u>
Expenditure on:				
Charitable activities	4	<u>676,854</u>	<u>519,391</u>	<u>1,196,245</u>
Total expenditure		<u>676,854</u>	<u>519,391</u>	<u>1,196,245</u>
Net income/(expenditure for the year)	7	38,551	(51,941)	(13,390)
Total funds brought forward		<u>1,910</u>	<u>339,955</u>	<u>341,865</u>
Total funds carried forward		<u>40,461</u>	<u>288,014</u>	<u>328,475</u>

The charity has no recognised gains or losses other than the results for the year as set out above. All activities of the charity are classed as continuing.

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Balance Sheet 31st March 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	10		236,932		274,885
Current assets					
Debtors	11	41,610		55,452	
Cash at bank and in hand		<u>295,834</u>		<u>98,455</u>	
		337,444		153,907	
Creditors					
Amounts falling due within one year	12	<u>(153,110)</u>		<u>(67,153)</u>	
Net current (liabilities)/assets			<u>184,334</u>		<u>86,754</u>
Total assets less current liabilities			421,266		361,639
Creditors					
Amounts falling due over one year	13		<u>(60,107)</u>		<u>(33,164)</u>
			<u>361,159</u>		<u>328,475</u>
Funds					
Unrestricted funds					
General funds	17		178,847		40,461
Restricted funds	18		<u>182,312</u>		<u>288,014</u>
Total funds	19		<u>361,159</u>		<u>328,475</u>

The accounts on pages 18 to 32 were approved by the trustees and authorised for issue on 24 March 2022 and signed on their behalf by:-



M Ord
Trustee

Company Registration Number: 4241965

The notes on pages 22 to 32 form part of these accounts.

FIVE CHILDREN AND FAMILIES TRUST LTD

Statement of Cash Flows for the year ended 31st March 2021

	Notes	2021		2020	
		£	£	£	£
Cash flow from operating activities	22		207,213		91,527
Cash flow from investing activities					
Payments to acquire tangible fixed assets		<u>(37,837)</u>		<u>-</u>	
Net cash flow from investing activities			(37,837)		-
Cash flow from financing activities					
New loans		50,000		-	
Repayments of loans		(17,027)		(15,157)	
Interest paid		<u>(4,970)</u>		<u>(6,838)</u>	
Net cash flow from financing activities			28,003		(21,995)
Change in cash and cash equivalents in the year ending 31st March 2021			197,379		69,532
Cash and cash equivalents as at 1st April 2020			98,455		28,923
Cash and cash equivalents as at 31st March 2021	23		295,834		98,455

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2021

1. Summary of significant accounting policies

(a) General information and basis of preparation

Five Children and Families Trust is a company limited by guarantee and a registered charity in the United Kingdom. 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. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are set out in the Trustees' Report on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. 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 issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds

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

(c) Income recognition

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2021

1. Summary of significant accounting policies (continued)

(c) Income recognition (continued)

Income from charitable activities includes income received under contract or where entitlement to grant funding is subject to special performance conditions and is recognised as earned as the related services are provided. Grant income included in this category provides funding to support performance activities and is recognised when there is entitlement, certainty of receipt and the amounts can be measured with sufficient reliability.

Investment income is earned through holding assets for investment purposes such as bank deposits. It essentially includes interest which is recognised using the effective interest method.

(d) Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

- Expenditure on charitable activities includes expenditure running the Children Centre and activities provided therein.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(e) Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Children's Centre. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 5.

(f) Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Building improvements	-	10% per annum
Fixtures and fittings	-	25% per annum

(g) Investments

Investments are recognised at fair value which is normally the transaction price excluding transaction costs, less impairment.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2021

1. Summary of significant accounting policies (continued)

(h) Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(i) Loans and borrowings

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

(j) Impairment

Assets not measured at fair value are reviewed for any indication that the asset may be impaired at each balance sheet date. If such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount. Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in profit or loss unless the asset is carried at a revalued amount where the impairment loss is a revaluation decrease.

(k) Leases

Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

(l) Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

(m) Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(n) Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements and having due regard to the impact of Covid-19. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2021

2. Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Donations and other sundry income	26,696	5,630	32,326	12,100
Covid support grants	136,011	-	136,011	-
	<u>162,707</u>	<u>5,630</u>	<u>168,337</u>	<u>12,100</u>

£6,006 of the above income in 2020 was attributed to restricted funds and £6,094 of the above income in 2020 was attributed to unrestricted funds.

3. Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Children's Centres – Liverpool City Council	-	271,270	271,270	294,776
Nursery income	753,481	-	753,481	589,894
Letting of Centre	17,294	-	17,294	27,132
Health and wellbeing	-	140,149	140,149	74,600
Kids Club	53,865	-	53,865	69,750
Other	15,649	5,870	21,519	114,603
	<u>840,289</u>	<u>417,289</u>	<u>1,257,578</u>	<u>1,170,755</u>

£461,444 of the above income in 2020 was attributed to restricted funds and £709,311 of the above income in 2020 was attributed to unrestricted funds.

4. Analysis of expenditure on charitable activities

	Direct costs £	Support costs £	Total 2021 £	Total 2020 £
Children's Centres	307,908	82,913	390,821	304,502
Nursery	617,474	16,519	633,993	488,852
Health and wellbeing	959	69,541	70,500	71,184
Building and support	22,069	122,671	144,740	182,014
Kids Club	55,948	733	56,681	59,475
Other	94,048	2,448	96,496	90,218
	<u>1,098,406</u>	<u>294,825</u>	<u>1,393,231</u>	<u>1,196,245</u>

£528,621 (2020 £519,391) of the above costs were attributed to restricted funds and £864,610 (2020 £676,854) of the above costs were attributed to unrestricted funds.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2021

5. Support costs	Total 2021 £	Total 2020 £
Staff and volunteer costs	144,542	150,094
Premises costs	21,956	23,374
Depreciation	75,790	66,333
Office costs	14,183	9,980
Legal and professional	4,798	11,000
Information technology	1,007	1,282
Other	25,234	23,630
Governance costs (note 6)	7,315	7,089
	<hr/>	<hr/>
	294,825	292,782
	<hr/>	<hr/>
6. Governance costs	Total 2021 £	Total 2020 £
Fees payable to the charity's auditor (and its associates) for the audit of the charity's annual accounts	7,315	7,089
	<hr/>	<hr/>
7. Net incoming/(outgoing)resources for the year	Total 2021 £	Total 2020 £
This is stated after charging:		
Depreciation	75,790	66,333
Audit fee	7,315	7,089

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2021

8. Staff costs and numbers	Total 2021 £	Total 2020 £
Salaries and wages	921,798	772,967
Social security costs	45,166	44,595
Other pension costs	26,890	19,418
	<u>993,854</u>	<u>836,980</u>

There are no employees earning at the rate of £60,000 or more per annum.

The average weekly number of employees during the year, was as follows:-

	2021 Number	2020 Number
Total	54	49

9. Trustees' and key management

One of the trustees received remuneration during the year totalling £4,386 (2020 £1,957). This remuneration was in respect of sessional work performed to provide short term cover for sickness and other absences. No expenses (2020 £Nil) were reimbursed to any trustees (2020 - 0) during the year.

The total amount of employee benefits received by key management personnel is £147,452 (2020 £105,760).

The charity considers its key management personnel to comprise the Programme Director, Deputy Children's Centre Manager, Building Manager and Team Leader and Nursery Manager.

10. Tangible fixed assets

Cost	Building improvements £	Fixtures and equipment £	Total £
At 1st April 2020	429,607	123,886	553,493
Additions	30,898	6,939	37,837
31st March 2021	<u>460,505</u>	<u>130,825</u>	<u>591,330</u>
Depreciation			
At 1st April 2020	169,161	109,447	278,608
Charge for the year	59,105	16,685	75,790
At 31st March 2021	<u>228,266</u>	<u>126,132</u>	<u>354,398</u>
Net book value			
At 31st March 2021	<u>232,239</u>	<u>4,693</u>	<u>236,932</u>
At 31st March 2020	<u>260,446</u>	<u>14,439</u>	<u>274,885</u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2021

11. Debtors	2021	2020
	£	£
Trade debtors	41,610	55,452
	<u> </u>	<u> </u>
12. Creditors: Amounts falling due within one year	2021	2020
	£	£
Bank loan	3,932	-
Keyfund loan	19,123	17,025
Trade creditors	49,993	15,528
Accruals and deferred income	44,350	19,036
Social security and other taxes	30,721	14,994
Other creditors	4,991	570
	<u> </u>	<u> </u>
	153,110	67,153
	<u> </u>	<u> </u>
13. Creditors: Amounts falling due after more than one year	2021	2020
	£	£
Bank loan	46,068	-
Keyfund loan	14,039	33,164
	<u> </u>	<u> </u>
	60,107	33,164
	<u> </u>	<u> </u>
<p>The remaining loan from the Key Fund is unsecured, with interest charged at 12% per annum.</p> <p>The charity took out a loan from Barclays Bank plc under the terms of the Covid Bounce Back loan scheme. The loan is unsecured, is repayable by October 2026 and interest is currently charged at 2.5% per annum.</p>		
14. Maturity of debt	2021	2020
	£	£
Creditors include finance capital which is due for repayment as follows:-		
Amounts repayable:-		
In one year or less or on demand	23,055	17,025
In more than one year but not more than two years	23,648	19,124
In two to five years	36,460	14,040
	<u> </u>	<u> </u>
	83,162	50,189
	<u> </u>	<u> </u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts Year ended 31st March 2021

15. Capital commitments

There were no capital commitments at 31st March 2021 and 31st March 2020.

16. Members' liability

The company is limited by guarantee and has no share capital. Every member of the Association undertakes to contribute to the assets of the company, in the event of being wound up while he or she is a member or within one year of ceasing to be a member for debts and liabilities of the company contracted before he or she ceases to be a member, such amount as may be required not exceeding £1.

17. Unrestricted funds

	As at 01.04.20	Income	Expenditure	As at 31.03.21
	£	£	£	£
General fund	40,461	1,002,996	(864,610)	178,847
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Comparative information in respect of the preceding period is as follows:-

	As at 01.04.19	Income	Expenditure	As at 31.03.20
	£	£	£	£
General fund	1,910	715,405	(676,654)	40,461
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

18. Restricted funds

	As at 01.04.20	Income	Expenditure	As at 31.03.21
	£	£	£	£
Children's centre grants:				
Children's centre - Liverpool City Council	-	261,566	(261,566)	-
Garston centre - Liverpool City Council	39,430	9,704	(49,134)	-
Nursery grants:				
Liverpool City Council Capital Grant	19,350	-	(10,570)	8,780
Liverpool City Council Capital Grant 2	185,066	-	(41,067)	143,999
DHL UK Foundation	4,500	-	(1,500)	3,000
Key Fund Grant	4,250	-	(4,250)	-
Bambinis	27,872	73,702	(78,313)	23,261
Mentor	-	-	-	-
Other	-	5,630	(5,630)	-
Youth Consortium	-	66,447	(66,447)	-
Sundry grants:				
Community Foundation - Beat abuse	-	-	-	-
Autism - Liverpool City Council	-	-	-	-
Hardship fund	3,882	5,870	(6,480)	3,272
Mayoral fund	3,664	-	(3,664)	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	288,014	422,919	(528,621)	182,312
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2021

18. Restricted funds (continued)

Comparative information in respect of the preceding period is as follows:-

	As at 01.04.19 £	Income £	Expenditure £	As at 31.03.20 £
Children's centre grants:				
Children's centre - Liverpool City Council	-	276,728	(276,728)	-
Garston centre - Liverpool City Council	32,928	18,048	(11,546)	39,430
Nursery grants:				
Liverpool City Council Capital Grant	29,920	-	(10,570)	19,350
Liverpool City Council Capital Grant 2	226,133	-	(41,067)	185,066
DHL UK Foundation	6,000	-	(1,500)	4,500
Key Fund Grant	8,500	-	(4,250)	4,250
Bambinis	33,256	74,600	(79,984)	27,872
Mentor	-	27,598	(27,598)	-
Other	3,218	2,096	(5,314)	-
Sundry grants:				
Community Foundation - Beat abuse	-	3,318	(3,318)	-
Autism - Liverpool City Council	-	27,021	(27,021)	-
Hardship fund	-	31,651	(27,769)	3,882
Mayoral fund	-	6,390	(2,726)	3,664
	339,955	467,450	(519,391)	288,014
	339,955	467,450	(519,391)	288,014

Children's Centre – Liverpool City Council

This project is funded by the Government through Local authorities and can only be used for Children's Centre Services as defined and agreed with the Local Authority/Government under a Service Level Agreement.

Nursery and Kids Club (Childcare Provision)

We operate a 0 – 5 year old nursery alongside a 4 – 12 year old Kids Club. Grant funding has been received to develop and enhance Childcare provision and staff training together with Nursery Educational Fund. This is paid from the Local Authority but forms part of an individual entitlement for all children aged 3-4 to receive 15 hours free childcare. Similarly we have been in receipt of a fund piloting the same entitlement for 2 year olds this programme is now being launched nationally.

Liverpool City Council Capital Grant

Liverpool City Council awarded a grant for the restructure and expansion of the Nursery. The major works were completed in 2013/14.

DHL UK Foundation

DHL provided a total of £15,000 as a contribution towards alterations to the Nursery space.

Bambinis

Bambinis is a community led initiative working to support women to initiate and sustain breastfeeding. The charity receives funding through a service level agreement with Liverpool City Council to deliver this citywide service operating through Liverpool Women's Hospital Trust and Liverpool Children Centres.

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2021

19. Analysis of net assets between funds	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	81,153	155,779	236,932
Net current assets	157,801	26,533	184,334
Creditors due after one year	(60,107)	-	(60,107)
Net assets at 31st March 2021	178,847	182,312	361,159

Comparative information in respect of the preceding period is as follows:-

	Unrestricted Funds £	Restricted Funds £	Total Funds £
Tangible fixed assets	61,719	213,166	274,885
Net current assets	11,906	74,848	86,754
Creditors due after one year	(33,163)	-	(33,164)
Net assets at 31st March 2020	40,461	288,014	328,475

20. Related party transactions

There are no related party transactions other than those referred to in note 9 to the accounts.

21. Pension costs

The employers' contributions into the individual pension plans of certain employees amounted to £26,890 (2020 £19,418) and the amount unpaid and included in creditors at 31st March 2021 was £4,666 (2020 £2,191).

22. Reconciliation of net income/(expenditure) to net cash flow from Operating activities	Total 2021 £	Total 2020 £
Net income/(expenditure) for the year	32,684	(13,390)
Depreciation charges	75,790	66,333
Interest payable	4,970	6,838
Decrease in debtors	13,842	10,111
Increase in creditors	79,927	21,635
Net cash flow from operating activities	207,213	91,527

FIVE CHILDREN AND FAMILIES TRUST LTD

Notes to the Accounts

Year ended 31st March 2021

23. Analysis of net debt	At 1 April 2020 £	Cash flows £	Non-cash movements £	At 31 March 2021 £
Cash at bank	97,123	193,821	-	290,944
Cash in hand	1,332	3,558	-	4,890
	<u>98,455</u>	<u>197,379</u>	<u>-</u>	<u>295,834</u>
Debt due within one year	(17,025)	17,027	(23,057)	(23,055)
Debt due after more than one year	(33,164)	(50,000)	23,057	(60,107)
	<u>48,266</u>	<u>164,406</u>	<u>-</u>	<u>212,672</u>