

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

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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 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
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 Number	2021 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

	Building improvements £	Fixtures and equipment £	Total £
Cost			
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

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

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)	-
	182,312	705,336	(537,728)	349,920

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>
	<u><u>212,672</u></u>	<u><u>56,068</u></u>	<u><u>-</u></u>	<u><u>268,740</u></u>