

1ST PLACE CHILDREN AND PARENTS' CENTRE LTD

England & Wales · Charity number 1120124

Details

Status Registered

Legal form Charitable company

Company number [05424738](#)

Registered 2007-07-18

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

Contact

Address 1st Place Children And
Parents' Centre
Chumleigh Street
Burgess Park
London
SE5 0RN

Phone 02077408070

Email info@1stplace.uk.com

Website www.1stplace.uk.com

Activities

Objects: 3. THE OBJECTS OF THE COMPANY SHALL BE TO FURTHER SUCH CHARITABLE PURPOSES FOR THE BENEFIT OF THE RESIDENTS IN THE LONDON BOROUGH OF SOUTHWARK (THE "AREA OF BENEFIT") PARTICULARLY FAMILIES WITH YOUNG CHILDREN IN PARTICULAR BUT NOT EXCLUSIVELY BY ADVANCING THE EDUCATION OF THE RESIDENTS IN RELATION TO CHILDCARE, PARENTING, HEALTH, THE ENVIRONMENT, ICT, LIFE SKILLS AND THE ENGLISH LANGUAGE BY SUCH MEANS AS THE TRUSTEES MAY CONSIDER APPROPRIATE INCLUDING THE OPERATION AND MAINTENANCE OF A FAMILY CENTRE.

Activities: Advancing the education of the residents through the provision of training and childcare facilities; the provision of advice, support and guidance on issues relating to childcare, parenting and education, health and the environment and the provision and maintenance of a family centre.

Classification

- **How:** Provides Human Resources, Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** Education/training, The Advancement Of Health Or Saving Of Lives, Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Children/young People

Geography

- **Area of benefit:** THE LONDON BOROUGH OF SOUTHWARK.
- Southwark

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,498,302	£3,677,668	£640,314	135
2024-03-31	£3,190,484	£3,530,126	£819,679	148
2023-03-31	£3,082,402	£3,157,910	£1,159,321	145
2022-03-31	£2,951,704	£2,832,326	£1,234,829	137
2021-03-31	£2,660,323	£2,540,761	£1,115,451	131

Trustees

Name	Role	Appointed
Karen Walker	Chair	2019-05-15
Alan Dallas		2019-12-11
Alice Little		2023-01-17
Benjamin Asmah		2019-01-16
Deric Edlin Edward		2025-01-21
Galina Krasteva		2025-12-16
Heather Elizabeth Munn		2016-11-11
Jack Scriven		2025-12-16
Katherine Lucy Newman		2023-01-17
Kervell Bernard-Moore		2025-12-16
Mariia Novoselok		2025-08-19
Philip Wilkins		2014-03-11
Suzanne Tuttlebury		2023-01-17

1ST PLACE CHILDREN AND PARENTS' CENTRE LTD

England & Wales - Charity number 1120124

Accounts

Company number: 05424738

Charity number: 1120124

1st Place Children and Parents' Centre Ltd.

Report and financial statements
For the year ended 31 March 2025

Contents

For the year ended 31 March 2025

Reference and administrative information	1
Chair of Trustees' report	2
Trustees' annual report	3
Independent auditor's report	18
Statement of financial activities (incorporating an income and expenditure account)	22
Balance sheet	23
Statement of cash flows	24
Notes to the financial statements	25

1st Place Children and Parents' Centre Ltd.

Reference and administrative information

For the year ended 31 March 2025

1st Place Children and Parents' Centre Ltd. Reference and administrative information for the year ended 31 March 2025

Company number	05424738
Country of incorporation	United Kingdom
Charity number	1120124
Country of registration	England & Wales
Registered office and operational address	12 Chumleigh Street LONDON SE5 0RN

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Karen Walker	Chair
Philip Wilkins	Treasurer
Ben Asmah	
Heba Ayoub	Resigned December 2024
Alan Dallas	
Ruth Francis	Appointed for second term – January 2025
Heather Munn	Appointed for extended term January 2025
Georgia Papacleovoulou	
Kate Newman	
Alice Little	
Sue Tuttlebury	
Deric Edlin	Appointed January 2025

Key management personnel	Nicola Howard	Director and Company Secretary
---------------------------------	---------------	--------------------------------

Bankers	Barclays 1-3 Butterfly Walk Camberwell London, SE5 8RW
----------------	---

Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane LONDON, EC1Y 0TG
----------------	---

Chair of Trustees' report

For the year ended 31 March 2025

Chair's Report

I am pleased to share with you the latest Annual report and audited accounts of 1st Place Children and Parents' Centre, 2024-25.

Recalling all the exciting adventures we have had along the road at 1st Place this past year highlights again how the nurseries and the Children & Family Hub have focused on ensuring that every child who crosses their path is given the opportunity and support to grow and develop in a nurturing environment. Sometimes this has been challenging, however the Senior staff and their incredible teams have approached each challenge with fortitude and determination to help the children of our part North Southwark.

We began our year with a very challenging financial situation, having opened a new nursery and taken the very sad and difficult decision to close the setting at St Paul's Church, Lorrimore Square. The parents and staff had built a very special relationship together, but sadly the maintenance of the building and quality of the outside area, meant that providing a quality nursery provision there without significant investment had become challenging and at this point 1st Place were not on the position to carry out that work alone.

The new nursery at The Elephant and Castle continues to consolidate and grow, and more recently I am very pleased to state there has been an OFSTED inspection, which has resulted in a 'good' for all aspects of the nursery provision.

Further in the report our Treasurer sets out the financial performance of 1st Place. It is reassuring to note that even in these challenging times, the careful husbandry of our finances and resources mean we can still maintain reserves, to offer that surety to all using the services provided that 1st Place can and will continue to provide services for a long time to come.

I hope that when you read about the activities of the nurseries, you will get a flavour of the growth and development that is ongoing at 1st Place: the Forest School in Burgess Park, for both the children at Chumleigh and Elephant and Castle nurseries has been so beneficial for young children getting them into the great outdoors; the 7th year of the Rose Vouchers to support families to eat healthily and shop locally; the early language programmes and many other initiatives that have helped children and their families to grow together. The Trustees are very proud that 1st Place has been designated a Children & Family Hub and is also renewing its contract to support the Start for Life programme. In all areas of work 1st Place is ensuring an inclusive and equitable approach to all the activities available in the Southwark wide network.

All this work is carried out under the direction of our Executive Director Nicola Howard and her leadership of a strong and dedicated senior team, who all joined together in April 2025 to consider 1st Place mission and values, which have not been fully reviewed since its inception in 2005. This generated plenty of discussion and a lot of work, which we will be sharing with you in the coming year.

My grateful thanks to all the contributors who make 1st Place such a wonderful place to be for children and their families.

Best wishes

Karen Walker
Chair of Trustees

Trustees' annual report

For the year ended 31 March 2025

The Trustees (who act as directors of the Charity for the purposes of the Companies Act) submit their annual report and the financial statements of 1st Place Children and Parents' Centre for the year ended 31 March 2025.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a director's report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure that the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

1st Place is comprised of a purpose-built Children and Parents' Centre, with a number of additional sites providing early education and family support. It achieved charitable status in 2007 and has worked with the following aims:

1st Place shall be for the benefit of the residents in the London Borough of Southwark, in particular families with young children, by:

1. Advancing the education of the residents through the provision of training and childcare facilities;
2. The provision of advice, support and guidance on issues relating to childcare, parenting, education, health and the environment.
3. The provision and maintenance of a family centre;
4. Encouraging the study of the needs of children and families in the local area and promoting public interest in, and recognition of, these needs; and
5. The promotion of environmental education and awareness.

How we work to achieve these objectives

1st Place achieves these objectives through the provision of;

- Innovative, high quality early learning experiences for young children;
- Training, volunteering and employment opportunities for local parents and other residents;
- Support for the regeneration of the local community in order to contribute to long-term social and economic stability.

1st Place Children and Parents' Centre also aims to nurture a community culture that celebrates diversity; a culture that models respect and support for young children and families as well as caring for the environment. 1st Place aims to support the ongoing growth and development of individuals and groups within the local community.

Trustees' annual report

For the year ended 31 March 2025

Our Aims for 2024-25

1st Place at the Heart of the Community.

- Tender for delivery of a Family Hub to maintain community and family support services from April 2025.
- Continue our commitment to 1st Place being an organisation where equity, inclusion and opportunity is a reality for everyone we work with.
- Develop outreach capacity to support nursery and family services.
- Develop new community partnerships to compliment education and community support offer.

Financial Sustainability

- Bring 1st Place at the Elephant nursery to levels of occupancy required to sustain the organisation, maximising the additional capacity it affords.
- Continue to develop fundraising capacity.

High Performing Teams

- Target setting and mechanism for measuring this and for staff retention.
- Making 1st Place the Best Place to Work:
 - focus on staff wellbeing
 - employee benefits
 - Clear policy for training, development and progression
 - Staff salaries are the best we can offer

Excellence in All We Do

- Further development of green credentials through seeking capital funding to update our ability to generate our own energy.
- Review organisational Vision & Values so that we have engaged internal and external stakeholders that know what we do and feel informed, valued and part of the 1st Place family.
- All sites are running efficiently and provide the best environment for staff and service users.

Our partners during 2024 – 25

- Bede House
- Homestart Southwark
- National Education Trust
- Kew Gardens
- Friends of Burgess Park
- Learning Unlimited
- Community Southwark
- Ripe Learning
- GSTT Midwifery
- Kings Midwifery
- Evelina London Speech & Language Therapy
- Evelina London Community Nutritionists
- Evelina London Health Visitors
- South London & Maudsley Parental Mental Health Service
- St Paul's Church Lorrimore Square
- Pembroke House
- Spring Community Hub
- Coin Street
- The Alexandra Rose Charity
- Impact on Urban Health
- University of Health Sciences
- Community Tech Aid
- Breathe



Achievements and Performance

1st Place at the Heart of the Community

Early Education

The government announced additional funding of free entitlement places and the introduction of eligibility of children aged 9 months to 2 years from September 2024 onwards. While there were concerns in the sector about potential impact on providers, we have implemented the changes successfully. Where possible, due to new children joining us across the year, settling in periods starting earlier than we had planned in the past. The final roll out of the extension of the free entitlement will complete in September 2025.

In anticipation of the changes, the nursery managers worked together to reconfigure the nursery sites, with the layout of physical spaces at both nurseries being changed. This was followed by a reapportionment of nursery spaces with an increased number of places allocated to Chumleigh Gardens, and a reduction at The Elephant, as after 12 months of operation there, we had gained a better understanding of how the space worked for the children.



Projects

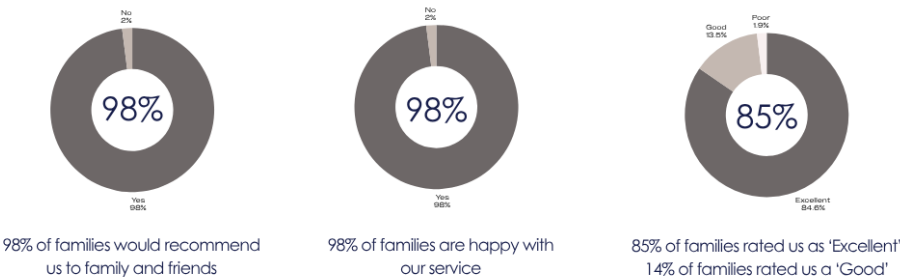
The development of our Forest School offer continued with the number of sessions offered to children across both nurseries increasing. Development of this parallel provision gives all children the opportunity to experience off site outdoor learning but also enables us to meet the demand for places in our nurseries.

We continued to support opportunities for early language development for children in our nurseries in partnership with parents, through the delivery of Early Words Together for 3-4-year olds. This programme was already well established with the Family Hub for under 3's for number of years, with the nurseries beginning to roll this and receiving positive feedback from the Southwark Early Years & Childcare Education Access team for the successful engagement with families in this on-going project. Nursery staff were offered training from the Evelina Speech and Language team in Welcomm, a complete speech and language toolkit, which can be used to screen for language delay as well as plan for appropriate support. This enabled us to identify children with speech delay as early as possible.



“
Overall, staff plan many experiences to meet children's individual learning needs. Children benefit from lots of time outdoors, such as during forest-school trips, to help to promote their good health. Those children who prefer to play and learn outdoors flourish and grow in confidence. Children behave very well and learn how to keep themselves safe.
”
1st Place at Chumleigh Gardens Ofsted Inspection – May 2024

Customer Satisfaction Survey



Data taken from 'Nursery Leaver Survey' and 'Nursery Parents Satisfaction Survey' conducted over 2024-2025. Total surveyed: 92

“
I can't rave enough about 1st Place. The staff are wonderful, creating a magical and nurturing environment where my daughter has blossomed.
”
Parent from 1st Place at The Elephant

98% would recommend us to family and friends

84% of families rated us as 'Excellent'

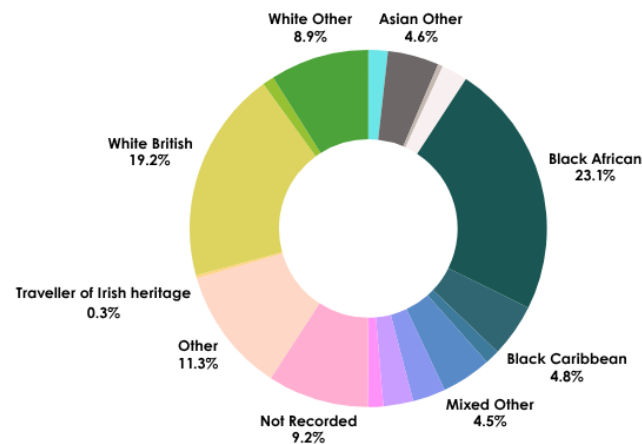
“
We couldn't be more grateful for the loving caring environment that the staff provide for our children. There is a real emphasis on the emotional welfare and helping the children follow their interests.
Thank you for all that you do.,
”
Parent from 1st Place at Chumleigh Gardens

Supporting Families through Children and Family Hub Services

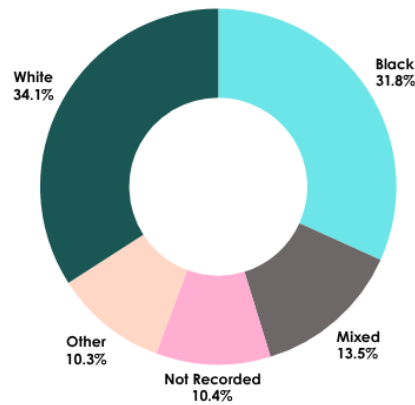
An expression of interest for the future delivery of Family Hubs in Southwark was submitted in early 2024 in advance of the planned recommissioning from April 2025. However, the emerging changes to Social Care services nationally meant that how Family Hubs worked alongside Social Care and Family Early Help would be restructured. It was therefore decided to review the previous contract with an agreement to amendments as the position became clearer. We continued to deliver services against our original contract until the end of March 2025.

In April 2024 we were awarded a second contract to support the Start for Life programme. This resulted in improved outreach and administration capacity, with a focus on reaching parents with mild to moderate mental health needs, as well as improving access to evidence based parenting support. This further forged out partnership with the Healthy Minds Thrive and Southwark Parenting teams. The new outreach team also enabled us to reestablish links with schools and community organisations, as well as maintaining outreach presence at East Street Market, local supermarkets and community events. Registering children and families to the Family Hub remained a priority, as this enabled the wider team to connect families with the services they need.

Ethnicity by Registration



Ethnicity by Attendance



“
Finding this group has been a game-changer. Sharing experiences and learning from others has brought us so much comfort.
Parent from the Under 5 Hearing Support Group
”

98%
would come to
the session again

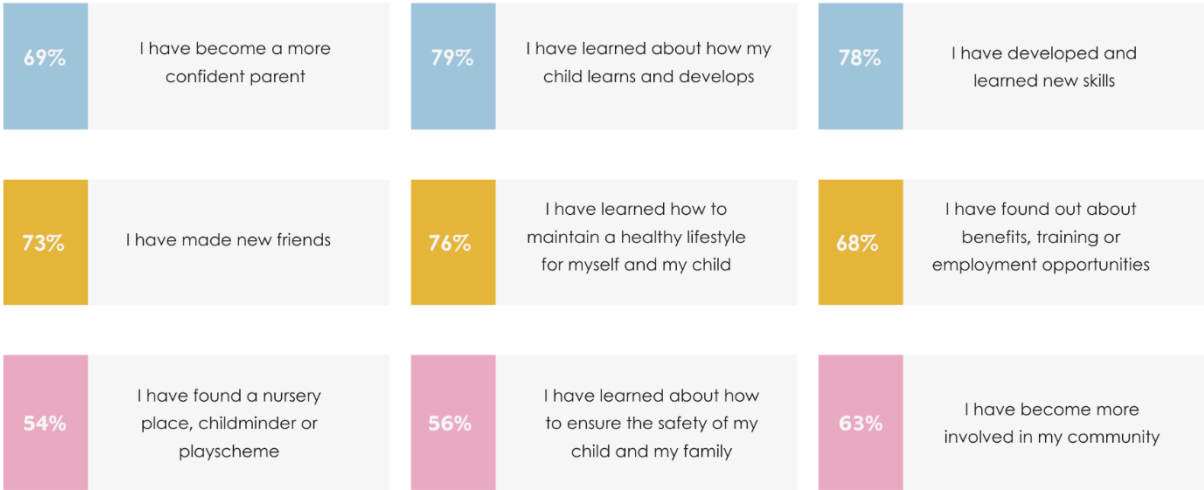


4.5
star rating

“
The breastfeeding clinic at 1st Place was a lifeline at the start of my breastfeeding journey. Visiting this has given me confidence to seek out other activities and services. Thanks so much!
Parent from the Breastfeeding Support Group
”

Data and quotes taken from BBW Family Hubs Surveys 2024/2025. Total Surveyed: 255

Experience and Impact



The demand for one-to-one family support remained high again this year, with the team carrying full caseloads. As a result, referrals were paused for a month between July and August in order to complete and close cases. There were 48 cases allocated by Family Early Help between April 2024 - March 2025. 12 cases are still open with 36 closed. As this support is non-statutory, 7 families referred declined help or moved out of the area before services could be provided.

Our work with fathers and male carers was further consolidated by recruitment of a male Community Wellbeing Champion funded through the Start for Life programme. Linking with the Healthy Minds Thrive team, this role is focussed on engaging male caregivers who experience mild to moderate mental health needs with the support they need. The Saturday Dads Stay and Play continued to go from strength to strength with attendance of over 25 families each week. We celebrated International Men's Day in November, bringing together health and wellbeing services from across the borough to raise awareness of men's health.



Universal services provided by our team and partners are often, for many families, the first point of entry to the Family Hub. Working with Midwives and Health Visitors and other community partners, families are registered, enabling us to share information on help and support available. Over the last year sessions offered ranged from support for new parents at Baby Time, support for early language development at Early Words Together and Healthy Movers helping set physical activity as a habit from the earliest years. Our aim to further develop our Adult Learning offer remained stable, with ESOL and ICT courses offered to parents, supported by a creche, enabling those with small children to access new skills. We also hosted the HENRY (*Healthy Families: Right from the Start*) programme for Southwark.



We have further developed collaborative work between the Family Services and nursery teams this year, with baby massage sessions offered to prospective nursery parents extended to those in the wider community. As the Fathers Stay and Play continued to develop, the nursery Forest School team began to offer outdoor learning sessions as part of the Saturday group.

Partnerships

We completed our seventh year of a partnership with the Alexandra Rose Charity and with Southwark Council. The past year marked a time of transition and geographical growth for the Rose Vouchers Project. New funding from the Public Health

department at Southwark Council brought with it an expectation of a greater focus on the health and wellbeing of our Rose Voucher families. Our Rose Voucher volunteers and distribution partner staff attended Southwark Council's *Making Every Contact Count* (MECC) training. This uses the 3As approach (Ask-Advise-Assist) and raises awareness of the services in Southwark that are available to support residents' health and wellbeing. Many of the team also attended the *Dignity Principles** training, delivered by the Spring Food Roots Project. While our core staff have always had conversations with, signposted and supported families way beyond simply giving out vouchers, this new focus has provided the opportunity to further extend our volunteers' training and experience.

With the advent of the new funding, we were delighted to be able to extend the geographical reach of the Rose Vouchers Project to SE16, bringing on board two new distribution partners, Ellen Brown Centre in Bermondsey, and Time & Talents in Rotherhithe, providing local collection points for families in that area. The funding also allowed for recruitment of a Rose Vouchers Project Officer to support this expansion and the project as a whole.

Registrations were paused temporarily as the project was oversubscribed. An eligibility review was carried out for all families registered, resulting in a significant reduction of the number of families on the project. Registrations recommenced in September 2024, and the lower number of families on the project meant that by the end of March 2025 225 new families were registered, supported and introduced to Family Hub services. We also reviewed and strengthened our registration process, bringing this back in-house to 1st Place, meaning that Rose Voucher registrations could be a private, supportive and informative experience for new families. The new process helps families feel comfortable to ask questions and express any concerns and / or need for support, which can then be addressed effectively and appropriately.

We would like to thank all our distribution partners for their ongoing work to ensure that families in Southwark have access to fresh fruit and vegetables to ensure the healthy development of their young children. Thanks also to all our Rose Voucher families for their feedback and appreciation of the project – we love it because you do! Our work with Bede House Starfish programme continued to develop with the children and young people's counselling sessions increasing, with three therapists supporting across two days.

Our partnership with Bede House has continued successfully again this year. The Freedom Programme is a nationally recognised programme; Bede are also the only Independent Domestic Violence Advisor (IDVA) led freedom group in Southwark. Being qualified IDVA workers allows Bede to give clients more in-depth knowledge about domestic abuse and ensure each client who attends has a tailored safety plan. The main structure of the programme is to educate women on the different characteristics of an abuser. The programme also promotes empowerment and gives the women a safe space to make new friends. Each programme cycle has a different angle that is curated to the client's needs.

ⁱ* *The Dignity Principles are: A sense of control; Able to take part in community life; Nourished and supported; Involved in decision-making; Valued and able to contribute.*

Trustees' annual report

For the year ended 31 March 2025

This year two cycles of group sessions were offered. The first started in September 2024 and ended in February 2025. 17 women completed the programme. Demand remains high with 25 women on the waitlist for the September 2025 group.

Southwark Council Commissioned Refuge women's aid to provide the new Domestic Abuse service for the borough with Bede chosen to provide the counselling and Child Art therapy service. We have had a long and successful partnership with Bede House and we were delighted to have the art therapy service located at 1st Place. This is the only specialist child Domestic Abuse therapy in Southwark, and we were delighted to be working collaboratively to offer this much needed service. The service currently it runs twice a week after school for children aged 5 to 14 years of age. The families are offered 12 sessions and a debrief at the end. Bede also run a Summer Child therapy group sessions which were attended by six children. The feedback received from parents from last year was that they felt they children would benefit for 12 weeks of therapy.

“
“I see that my child has bit more confidence and learned to control his emotions in better way”.
Parent from Summer Child (Bede therapy group)
”

“
“My child really enjoyed her sessions and was sad that it came to an end. She was happy to have a safe place to talk about her feelings. She was happy with the experience and the therapist was very warm, knowledge in her skill and approachable”.
Parent from Summer Child (Bede therapy group)
”

Our partnership with University College of Osteopathy, now the University of Health Sciences meant that over 250 children benefitted from the paediatric osteopathic clinic delivered each week at 1st Place, with the key presenting issue being difficulties with feeding as well as post birth issues. Running this service in parallel to the Start for Life infant feeding session, ensured that more parents with new children are receiving the support they need early in their child's life.

We continued to work closely with colleagues from the Southwark Parenting team, hosting the Fathers Parenting Group.

Volunteering at 1st Place

Providing opportunities to volunteer at 1st Place – from our Trustees through to students on work placements - gives not only the opportunity to learn new skills and gain confidence but also bring their lived experiences and knowledge of our community. Peer to Peer conversations at Rose Voucher distribution sessions, Forest School and stay and plays are an essential part of helping families feel included and welcome. Over the next year we will be focussing on the development of our Parents' Forum and helping grow participation in borough-wide Family Hub service development.

High Performing Teams

Our staff team remains our greatest asset. Staff retention is improving year on year, with 8% of staff leaving our teams this year. This is below the national average for our sector.

Our overall staff team reduced from 148 to 135 this year, resulting from reduced numbers within our sessional team. Despite the closure of Lorrimore Square in July 2024, all staff were redeployed across our nurseries at Chumleigh

Trustees' annual report

For the year ended 31 March 2025

Gardens and Elephant & Castle. The funding of some of our external partnerships meant that we initially offer fixed term contracts for staff supporting this work. However this often resulted in permanent posts following extension of projects. We continued to improve our terms and conditions for staff, whose working week remained at 36 hours, less than the industry standard for the non-maintained early education sector. Our annual leave allocation remains higher than most, and we are considering bringing forward the increase in annual leave currently increased after 5 years of service.

The development and progression of people who work at 1st Place is crucial to their future with us, and it is great to see so many team members making their professional development a priority. This year there were six staff completing Level 2 and Level 3 qualifications, and we currently have one apprentice. As a result of additional training, 3 staff have progressed to L3 posts.

Following a review with our HR advisers, the introduction of new style staff contracts began in early 2024, with all new staff being issued with the new format. The documents provide more detail about employment at 1st Place, including related policies. The roll out continued with the senior leadership team, and other departments following into 2025-26.

Excellence in All We Do

Our commitment to the environment includes ensuring that all our spaces are welcoming and in good order, reflecting the value we place on the people who use them. Many visitors are surprised that the main site is almost 20 years old. But achieving this has brought increased works outside our rolling maintenance plan. Trees planted when the building opened are reaching maturity and this has impacted drainage and play surfaces. Changes to regulatory standards requires upgrades to fire doors across all sites, along with replacement of flooring and repairs to windows. This has kept the facilities team busy and draws heavily on our maintenance budget.

Our target this year to seek funding to reestablish our ability to generate our own energy took a step forward with an application for feasibility funding from Southwark Community Energy Fund. We found out in May 2024 that our first application was unsuccessful, but we were encouraged to apply in a second round. This was submitted in March 2025, and we await the outcome of our bid.

At 1st Place the security of all the data we hold is a great responsibility, and we work with our external advisors to ensure we have the infrastructure to ensure this. This year we completed our IT Roadmap which means that all our systems are cloud based with best practice cyber security. We are now accredited for Cyber Essentials, which was achieved in February 2025. This accreditation was a whole team effort, with all staff completing baseline, and taking part in a rolling IT training programme. We also phased out paper-based parent/carer contracts for all nursery places, with the digitisation of paperwork in line with legal retention limits.

We are really proud of the food we provide to children and staff in our nurseries, and parents of children who are reluctant eaters at home are often surprised to hear about what their child eats at nursery. The team develop menus, taking into account different dietary needs and allergies, providing cooking sessions for children so they begin to understand the elements of producing health balanced meals.

“

From the evidence seen in the full monitoring visit, 1st Place is an organisation that provides services with added value to the residents of Southwark.

Throughout the visit and evidence in this report, 1st Place has demonstrated that the 1st Place delivery a variety of activities and services to meet a diverse cohort of service users and different community needs.

CONTRACT MONITORING QUOTE

”

Trustees' annual report

For the year ended 31 March 2025

Financial Sustainability

We started this financial year, having made the decision in December 2023 to close the Lorrimore Square nursery in July, managing the logistics of reducing our sites from 3 to 2 and the transition of children from Lorrimore, the majority to the new nursery at The Elephant. This had a positive effect on the level of occupancy at our newly opened nursery and was managed by our staff as well as was practically possible.

In September 2024, there was significant change in the cohort of children attending our nurseries, with considerable interest in baby places, now eligible for the extended Free Early Education Entitlement. Occupancy levels remained good at Chumleigh Gardens. Following the children transferring to the Elephant with their key staff, the slow start at the Elephant was now picking up. Following the redrawing of the capacity figures for Chumleigh & The Elephant, after it became clear that The Elephant did not have the anticipated workable capacity, occupancy levels continued to improve to those required to sustain the organisation.

Funding from Southwark Council for Children & Family Hub services had not increased since 2016 and was substantially decreased in 2024-25 with the contract extended again for a further year. With the additional funding linked to the Start for Life programme awarded mid-year, for staffing and provision of facilities by a growing number of partner services, related income increased to a level closer to the contract delivery costs. As we begin the 2025-26 financial year funding for a further two years has been confirmed at a higher level, recognising the increased population and level of need in the community we serve.

The challenge of increasing all salaries above the London Living Wage made more difficult by the increase in Employers National Insurance Contributions and changes in its threshold, increasing our staff costs by circa £80,000. This was added to by a below cost-of-living increase to the three-year-old free entitlement, which continue to not match the cost to provide it. Each year we benchmark our nursery fees to ensure they fall in line with similar providers in our community. In previous years, the increase needed to ensure our staff receive a fair wage has been part met by 1st Place unrestricted reserves, but this year the level of increase to our overheads meant that fees increased by a higher percentage than in previous years.



Principal funding

The continuing growth and success of 1st Place this year has been facilitated by consistent funding and we would particularly like to acknowledge Southwark Children and Adults Services for the allocation of Children and Family Hub funding, the Free Early Education Entitlement and Free Early Education Offer. As ever, the continued commitment of local parents to our nursery, and of local services and groups for our room hire, is crucial to the continuation of our services.

Investment policy and performance

1st Place current account continues to be held with Barclays Bank. We have moved our cash reserves into a number of bank accounts under the Charities Aid Foundation Platform. We took the decision that no single deposit should exceed the Financial Services Compensation Scheme limit of £85k. We have earned over £39k in deposit interest at well over 4% combined interest rate.

Financial Review

The 2024/25 financial year proved to be as challenging as we had expected. But with the hard work from our team and the support and cooperation of our parents, we reduced our deficit of £(306)K in the previous financial year, to £(126)K. Whilst still a substantial deficit, it has put us "on course" to return to a surplus across the nursery operations in the coming year. This result was very creditable during the year when we have finally withdrawn from Lorrimore Square.

We adapted our plans as the year progressed, recognising the very strong demand for nursery places and with the reorganisation of occupancy across both sites, we have turned this to our advantage and have reorganised our "space" and this will enable us to offer more funded places, in line with our core charitable aims.

The impact of the Government's increases in both National Living Wage and Employers' NI Contributions have been unwelcome, but our parents have loyally supported us following the resulting necessary increase in fees.

The reduction in the value of the Children & Family Hub contract, which had remained at the same level since 2016 was challenging, but the team worked hard to operate close to budget, with 1st Place contributing unrestricted reserves to ensure that continuity was retained during the transition to the new contract.

As we ended this financial year the extension of our contract with Alexandra Rose Charity was confirmed, with Southwark Public Health contributing funding for a further two years. This followed a successful evaluation of the wider support offered by the project, undertaken by the 1st Place team.

Reserves Policy

The aim of the 1st Place Reserves policy is to maintain total free general reserves at a level which is no less than approximately three month's operating costs – 24/25 £616k. This policy which is a charity sector norm provides the ability to cope with unforeseen expenditure of both a capital and an expenditure nature, and with interruptions in income flows.

During periods of major structural and operational changes, the level of General Reserves may, temporally, drop below the 3 months operating costs – 24/25 £526k. However, we have now introduced a secondary measure of financial viability based on two further parameters. That we will always have sufficient liquid General Reserves to settle all statutory Staff termination costs and pay off all financial commitments relating to Property & Equipment Leases. Having worked hard to improve the occupancy levels at both nurseries we are budgeting in 25/26 for a surplus of £28k. We are now 3 months into our Financial Year and are able to assess the impact of the revised FEEE payment structure as applied to our current "mix" of children by age. The total FEEE receipts are a little higher than in our Budget and so we are confident that we will exceed our budgeted figure

1st Place will from time to time hold restricted reserves often due to timing differences. These may cover Special Educational Needs, Children & Parent Centre Funding, Early Years Pupil Premium, Alexandra Rose Charity Funding.

It is the aim of 1st Place that these restricted reserves be kept to a minimum and any accumulation of funds in these categories should be subject to a concerted effort in future years to spend the amount in the areas mandated in keeping with our charitable aims and without impacting on general reserves.

The Reserves Policy is reviewed and amended annually by the Trustees.

Fundraising

1st Place Children and Parents' Centre Ltd does not engage in large scale public fundraising and does not use professional fundraisers or commercial participators. Nevertheless, the charity observes and complies with the relevant fundraising regulations and codes. During the year, there was no non-compliance of these regulations and codes and the Centre received no complaints relating to its fundraising practice.

Plans for the future

Over the next year, working within our 2024-2027 Strategic Plan we will:

- Reconfigure Family Services in line with new contract and commissioning period.
- Develop new community partnerships in line with Family Hub reach i.e. 0-19/25 to compliment education and community support offer
- Developing our Adult Learning offer
- Make 1st Place more visible to community and professional networks
- Ensure both nurseries are reaching families across our community
- Maintain and further develop Green credentials
- Rebuild reserves 20% year on year
- Making 1st Place the Best Place to Work
- Clear policy for training, development and progression

Structure, governance and management

1st Place Children and Parents' Centre is a registered charity and company limited by guarantee with no share capital. The liability of Trustees in the event of insolvent liquidation is limited to £1 each. The members of the Board of Trustees are appointed by members of the Board. Day-to-day management of the Charity is delegated to the Director who is responsible for other staff. The Board of Trustees meet regularly, with five sub-committees (Early Education, Finance & General Purposes, Human Resources Community Services and Safeguarding) overseeing the operational activities of the organisation.

The Full Board meets quarterly to approve the business undertaken in the sub-committees. Additional working groups convene as and when required. Trustees are given appropriate induction, upon appointment, and ongoing training as required to assist them in fulfilling their role. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 5 of the accounts.

Remuneration Policy

We recognise the importance of being transparent and accountable in all aspects of our work, including how we reward and recognise our staff. We are working towards paying the London Living Wage (or becoming an accredited Living Wage Employer). The London Living Wage is an hourly rate set independently and updated annually, based on the cost of living in London. 1st Place 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. In deciding on levels of pay, the following factors are taken into account:

1. The mission, aims, objectives and values of 1st Place.
2. How any decisions might impact on the overall pay policy for all staff.
3. The type of skills, experience, competences etc. that our organisation needs.
4. A significant increase in responsibilities for a member of staff, or major change in job description.
5. Our current strategic business plan and how this might affect future needs.
6. Our ability to pay. It is our aspiration to pay a cost of living increase each year to all staff.
7. Regular benchmarking of salaries relative to pay levels in other charities in the sector of equivalent size, budgets and responsibilities, using independent external information.
8. Our track record in recruiting and retaining high-performing staff.
9. The impact of any decision on our public reputation, especially amongst our service users and stakeholders.

Compliance with Statutory Employment Requirements

The charity is committed to complying with all statutory employment legislation applicable in the United Kingdom, including the National Minimum Wage Act 1998, the Employment Rights Act 1996, the Health and Safety at Work etc. Act 1974 and automatic enrolment obligations under the Pensions Act 2008.

During the reporting period, the charity employed 135 staff and engaged 8 regular volunteers. All employees were issued with written contracts of employment and were paid in accordance with statutory requirements. The charity ensures regular reviews of employment policies and procedures to comply with developments in employment law and best practice.

The charity complies with The Equality Act 2010 and is committed to providing a safe, inclusive and supportive working environment. Relevant staff have received training in safeguarding, early childhood development and inclusive practice.

It is confirmed that appropriate systems are in place to ensure that health and safety obligations are met and that all staff working with children and vulnerable persons are subject to (enhanced) DBS checks in line with our safeguarding policy.

In line with the Charities SORP (FRS 102), the charity discloses details of employee remuneration, benefits and pension contributions in the notes to the financial statements. The charity also maintains a clear policy for determining the remuneration of senior management personnel, which is reviewed triennially by the Board of Trustees.

No trustee received any remuneration or employment benefits during the year. All decisions regarding employment and pay are made in accordance with the charity's constitution and legal responsibilities as an employer.

Performance Management

We have a performance management and appraisal policy that:

- Promotes a consistent approach to workforce supervision throughout 1st Place.
- Ensures that supervision is geared to achieving the organisation's objectives.
- Addresses the personal impact of work on all 1st Place's staff, volunteers, interns and trainees.

Risk Assessment

The Board of Trustees regularly review and assess the risks faced by 1st Place in all areas of its work, and plan for the management of those risks. The management ensure that all plans and decisions consider the possibility of negative outcomes. There is a Risk Register which is compiled and monitored quarterly by the Finance & General Purposes (F&GP) sub-committee, reported on quarterly at meetings of the Full Board and reviewed annually to ensure that the material risks to which the charity is exposed are evaluated and managed. The Director and senior management team implement appropriate mitigating actions to address the residual risks, mitigating them to a level the Trustees consider acceptable. The Board of Trustees recognises that, to achieve the objectives of the charity, the nature of some of 1st Place work requires acceptance of some risks that are outside our control, that is, risks which cannot be eliminated, so where this happens there is active and clear monitoring of the risk. The Facilities Manager will carry out a Health & Safety risk assessment when any risk is identified. The Risk Register working group reporting to F&GP sub-committee are working with the senior management to solidify the appropriate systems and controls to monitor, manage and mitigate exposure to risks. Principle risks and uncertainties are assessed for impact and likelihood.

Principal risks and uncertainties

The Board have worked with the Director and senior management to identify areas of our operations needing improvement and where there is a possibility that external forces put us at risk. Through regular review, actions to mitigate and reduce risks are identified. The introduction of an 'appetite for risk' dimension has enabled Trustees to identify risks, which while high, are unavoidable, and should be closely monitored.

Over the last year we have improved risks relating to financial sustainability, with our three year plan to return to growth in our nursery operations following a period of significant change. We have been awarded a two-year contract with Southwark Council for the delivery of a Children & Family Hub, securing the delivery of community services until April 2027.

Regular monitoring budgetary control and financial reporting, with budgets linked to business planning and organisational objectives reduce the likelihood of inappropriate business decisions being made. The senior team and board of Trustees have appropriate skills and experience to prepare and interpret budgetary and financial reports.

Over the last year we have Increased publicity of nursery services, recognising an increasingly competitive market, due to a falling birth rate, population mobility and demographics. By effectively managing staff to ensure resources are deployed to best effect have improved the position. With the final stage of the roll out of the extended Free Early Education Entitlement, making access to nursery places more affordable along with regular occupancy forecasting, we feel our position in the local market is secure.

The Government changes in policy in relation to National Insurance and the National Living Wage imposed higher than anticipated increases to staff costs after our budget was set. By modelling the financial impact of these increases, and regular monitoring of the budget position have meant that increased overheads were managed.

Ensuring that children are given appropriate food in line with their particular dietary needs and allergies carries an element of risk. Kitchen and nursery staff are aware of the needs of each child and they are regularly updated of any changes. Staff are trained in administration of medication such as EPI pens.

Trustees' annual report

For the year ended 31 March 2025

Statement of responsibilities of the trustees

The Board of Trustees is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Company law requires the Trustees, who are also the charitable company's directors, to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements. Prepare the financial statements on a going concern basis (unless it is inappropriate to presume that the charity will continue in operation).
- and observe the methods and principles of the Charities SORP.

The Board of Trustees has overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping adequate accounting records, which disclose with reasonable accuracy, are sufficient to show and explain the charity's transactions and the financial position of the charity at any time and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities. Statement of disclosure of information to auditors.

Statement of disclosure of information to auditors

We, as the directors of the charitable company who held office at the date of approval of these financial statements as set out on page one, each confirm, so far as we are aware, that:

- There is no relevant audit information of which the charitable company's auditors are unaware.
- We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Preparation of this report

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 16 September 2025 and signed on their behalf by

Karen Walker
Chair

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

Opinion

We have audited the financial statements of 1st Place Children and Parents' Centre Ltd (the 'charitable company') for the year ended 31 March 2025 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 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
- 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 1st Place Children and Parents' Centre Ltd's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

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 are set out below.

Capability of the audit in detecting irregularities

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

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - 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 related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

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. This 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: 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Noelia Serrano (Senior statutory auditor)

Date: 3 December 2025

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

1st Place Children and Parents' Centre Ltd.

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2025

	Note	General £	Designated £	Restricted £	2025 Total £	General £	Designated £	Restricted £	2024 Total £
Income from:									
Donations and legacies		1,474	–	–	1,474	2,187	–	–	2,187
Charitable activities									
Children's Centre Services	2a	13,359	–	576,378	589,737	19,402	–	497,183	516,585
Chumleigh Nursery	2a	1,570,911	–	21,326	1,592,237	1,372,258	–	1,507	1,373,765
Cambridge House Nursery	2a	–	–	–	–	231,321	–	94	231,415
Lorrimore Nursery	2a	171,176	–	1,167	172,343	697,676	–	1,535	699,211
The Elephant Nursery	2a	1,087,160	–	15,747	1,102,907	289,434	–	3,495	292,929
Investments		39,605	–	–	39,605	35,845	–	–	35,845
Other		–	–	–	–	38,547	–	–	38,547
Total income		2,883,685	–	614,618	3,498,303	2,686,670	–	503,814	3,190,484
Expenditure on:									
Charitable activities									
Children's Centre Services	3	16,355	–	615,315	631,670	–	–	532,893	532,893
Chumleigh Nursery	3	1,401,230	–	56,383	1,457,613	1,257,771	–	25,075	1,282,846
Cambridge House Nursery	3	–	–	–	–	281,580	–	4,599	286,179
Lorrimore Nursery	3	235,863	6,342	9,859	252,064	827,348	4,284	27,724	859,356
The Elephant Nursery		1,278,182	–	58,139	1,336,321	556,280	–	12,572	568,852
Total expenditure		2,931,630	6,342	739,696	3,677,668	2,922,979	4,284	602,863	3,530,126
Net (expenditure) for the year	4	(47,945)	(6,342)	(125,078)	(179,365)	(236,309)	(4,284)	(99,049)	(339,642)
Transfers between funds		(72,991)	–	72,991	–	(65,922)	–	65,922	–
Net movement in funds		(120,936)	(6,342)	(52,087)	(179,365)	(302,231)	(4,284)	(33,127)	(339,642)
Reconciliation of funds:									
Total funds brought forward		696,259	46,156	77,264	819,679	998,490	50,440	110,391	1,159,321
Total funds carried forward		575,323	39,814	25,177	640,314	696,259	46,156	77,264	819,679

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

Balance sheet

Company no. 05424738

As at 31 March 2025

	Note	£	2025 £	2024 £
Fixed assets:				
Tangible assets	9		52,302	77,474
			52,302	77,474
Current assets:				
Debtors	10	60,704	153,373	
Short term deposits		426,755	-	
Cash at bank and in hand		576,853	1,039,519	
		1,064,312	1,192,892	
Liabilities:				
Creditors: amounts falling due within one year	11	476,300	450,687	
Net current assets			588,012	742,205
Total net assets	13		640,314	819,679
The funds of the charity:	14			
Restricted income funds			25,177	77,264
Unrestricted income funds:				
Designated funds		39,814	46,156	
General funds		575,323	696,259	
Total unrestricted funds			615,137	742,415
Total charity funds			640,314	819,679

Approved by the trustees on 16 September 2025 and signed on their behalf by

Karen Walker
Chair

Statement of cash flows

For the year ended 31 March 2025

	Note	2025 £	£	2024 £	£
Cash flows from operating activities	15				
Net cash (used in) operating activities			(59,770)		(311,962)
Cash flows from investing activities:					
Dividends, interest and rents from investments		39,605		35,845	
Purchase of fixed assets		(15,746)		(60,723)	
Net cash provided by / (used in) investing activities			23,859		(24,878)
Change in cash and cash equivalents in the year			(35,911)		(336,840)
Cash and cash equivalents at the beginning of the year			1,039,519		1,376,359
Cash and cash equivalents at the end of the year			1,003,608		1,039,519
Analysis of cash and cash equivalents					
		At 1 April 2024 £	Cash flows £	At 31 March 2025 £	
Cash at bank and in hand		1,039,519	(462,666)	576,853	
Short term deposits		–	426,755	426,755	
Total cash and cash equivalents		1,039,519	(35,911)	1,003,608	

Notes to the financial statements

For the year ended 31 March 2025

1 Accounting policies

a) Statutory information

1st Place Children and Parents' Centre Ltd is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 12 Chumleigh Street, London, SE5 0RN.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2025

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

- | | |
|---|-----|
| ● Children's Centre Services incl. Alexandra Rose Charity | 16% |
| ● Chumleigh Nursery | 46% |
| ● Lorrimore Nursery | 7% |
| ● Elephant Castle Nursery | 31% |

Governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

- | | |
|---|-----|
| ● Children's Centre Services incl. Alexandra Rose Charity | 13% |
| ● Chumleigh Nursery | 40% |
| ● Lorrimore Nursery | 7% |
| ● Elephant Castle Nursery | 40% |

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

There are no costs of raising funds.

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

Notes to the financial statements

For the year ended 31 March 2025

1 Accounting policies (continued)

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Office equipment	25% straight line
● Fixtures & Fittings	25% straight line
● Computer equipment	33% straight line
● Computer software	33% straight line

l) Debtors

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

m) Cash at bank and in hand

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

n) Creditors and provisions

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

o) Financial instruments

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

p) Pensions

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

Notes to the financial statements

For the year ended 31 March 2025

2a Income from charitable activities

	Unrestricted £	Restricted £	2025 Total £	2024 Total £
LB of Southwark: Children's Centre	-	496,378	496,378	442,075
Alexandra Rose Charity Grant	-	80,000	80,000	55,108
External Bookings	13,359	-	13,359	19,402
Sub-total for Children's Centre Services	13,359	576,378	589,737	516,585
LB of Southwark – free education entitlement	368,557	-	368,557	248,815
Nursery Fees	1,164,562	-	1,164,562	1,099,620
LB Southwark: Special Education Needs (SEN)	-	20,928	20,928	1,012
LB Southwark: Deprivation fund	37,792	-	37,792	23,823
Early Years Pupil Premium (EYPP) Grant	-	398	398	495
Sub-total for Chumleigh Nursery	1,570,911	21,326	1,592,237	1,373,765
LB of Southwark – free education entitlement	-	-	-	34,538
Nursery Fees	-	-	-	193,730
LB Southwark: Deprivation fund	-	-	-	3,053
EYPP Grant	-	-	-	94
Sub-total for Cambridge House Nursery	-	-	-	231,415
LB of Southwark – free education entitlement	47,356	-	47,356	151,198
Nursery Fees	118,822	-	118,822	530,365
LB Southwark: Deprivation fund	4,998	-	4,998	16,113
EYPP Grant	-	1,167	1,167	1,535
Sub-total for Lorrimore Nursery	171,176	1,167	172,343	699,211
LB of Southwark – free education entitlement	345,016	-	345,016	86,500
Nursery Fees	708,544	-	708,544	192,960
LB Southwark: Special Education Needs (SEN)	-	9,662	9,662	3,036
LB Southwark: Deprivation fund	33,600	-	33,600	9,974
EYPP Grant	-	6,085	6,085	459
Sub-total for The Elephant Nursery	1,087,160	15,747	1,102,907	292,929
Total income from charitable activities	1,755,446	614,618	3,457,224	3,113,905

Notes to the financial statements

For the year ended 31 March 2025

2b Income from charitable activities (prior year)

	Unrestricted £	Restricted £	2024 Total £	2023 Total £
LB of Southwark: Children's Centre	–	442,075	442,075	420,464
Alexandra Rose Charity Grant	–	55,108	55,108	46,810
External Bookings	19,402	–	19,402	4,440
Sub-total for Children's Centre Services	19,402	497,183	516,585	471,714
LB of Southwark – free education entitlement	248,815	–	248,815	182,160
Nursery Fees	1,099,620	–	1,099,620	771,635
LB Southwark: Special Education Needs (SEN)	–	1,012	1,012	5,480
LB Southwark: Deprivation fund	23,823	–	23,823	24,419
Early Years Pupil Premium (EYPP) Grant	–	495	495	1,143
Sub-total for Chumleigh Nursery	1,372,258	1,507	1,373,765	984,837
LB of Southwark – free education entitlement	34,538	–	34,538	117,720
Nursery Fees	193,730	–	193,730	798,341
LB Southwark: Special Education Needs (SEN)	–	–	–	2,024
LB Southwark: Deprivation fund	3,053	–	3,053	13,547
EYPP Grant	–	94	94	567
Sub-total for Cambridge House Nursery	231,321	94	231,415	932,199
LB of Southwark – free education entitlement	151,198	–	151,198	76,560
Nursery Fees	530,365	–	530,365	581,186
LB Southwark: Special Education Needs (SEN)	–	–	–	7,084
LB Southwark: Deprivation fund	16,113	–	16,113	18,735
EYPP Grant	–	1,535	1,535	880
Sub-total for Lorrimore Nursery	697,676	1,535	699,211	684,445
LB of Southwark – free education entitlement	86,500	–	86,500	–
Nursery Fees	192,960	–	192,960	–
LB Southwark: Special Education Needs (SEN)	–	3,036	3,036	–
LB Southwark: Deprivation fund	9,974	–	9,974	–
EYPP Grant	–	459	459	–
Sub-total for The Elephant Nursery	289,434	3,495	292,929	–
Total income from charitable activities	2,610,091	503,814	3,113,905	3,073,195

Notes to the financial statements

For the year ended 31 March 2025

3a Analysis of expenditure (current year)

	Charitable activities					Governance costs £	Support costs £	2025 Total £	2024 Total £
	Children's Centre Services £	Chumleigh Nursery £	Cambridge House Nursery £	Lorrimore Nursery £	The Elephant Nursery				
Staff costs (Note 5)	447,349	897,666	–	151,180	795,041	–	432,238	2,723,474	2,599,703
Other staff costs	6,410	23,110	–	2,082	26,567	–	19,203	77,372	87,610
Direct costs	11,183	45,058	–	7,290	49,350	–	8,147	121,028	123,597
Premises costs	15,565	63,415	–	14,995	130,402	–	30,167	254,544	214,035
Rental equipment	2,541	2,741	–	535	1,639	–	1,254	8,710	8,345
Utilities	17,999	61,887	–	18,211	70,651	–	76,884	245,632	228,497
Office costs	10,710	16,650	–	4,645	26,120	991	92,491	151,607	147,685
Legal and professional fees	–	2,436	–	550	2,436	13,200	15,305	33,927	68,710
Promotion	162	–	–	–	–	–	20,294	20,456	12,811
Depreciation	–	–	–	–	–	–	40,918	40,918	40,016
Bad debt	–	–	–	–	–	–	–	–	(883)
	511,919	1,112,963	–	199,488	1,102,206	14,191	736,901	3,677,668	3,530,126
Support costs	117,905	338,974	–	51,583	228,439	–	(736,901)	–	–
Governance costs	1,846	5,676	–	993	5,676	(14,191)	–	–	–
Total expenditure 2025	631,670	1,457,613	–	252,064	1,336,321	–	–	3,677,668	
Total expenditure 2024	532,893	1,282,846	286,179	859,356	568,852	–	–		3,530,126

Of the total expenditure, £2,936,639 was unrestricted (2024: £2,927,263) and £741,029 was restricted (2024: £602,863).

Notes to the financial statements

For the year ended 31 March 2025

3b Analysis of expenditure (prior year)

	Charitable activities					Governance costs £	Support costs £	2024 Total £
	Children's Centre Services £	Chumleigh Nursery £	Cambridge House Nursery £	Lorrimore Nursery £	The Elephant Nursery			
Staff costs (Note 5)	384,922	765,164	174,603	560,652	312,080	–	402,282	2,599,703
Other staff costs	8,042	23,999	6,264	19,207	11,563	–	18,535	87,610
Direct costs	10,514	42,786	11,738	20,538	27,840	–	10,181	123,597
Premises costs	4,361	37,942	21,039	41,802	87,697	–	21,194	214,035
Rental equipment	1,946	2,345	281	1,265	1,058	–	1,450	8,345
Utilities	10,676	71,681	4,963	28,131	39,377	–	73,669	228,497
Office costs	5,897	10,947	3,358	23,072	10,993	1,904	91,514	147,685
Legal and professional fees	–	1,503	540	1,503	2,763	12,449	49,952	68,710
Promotion	–	–	–	–	25	–	12,786	12,811
Depreciation	486	11,828	5,429	1,345	5,129	–	15,799	40,016
Bad debt	–	–	–	–	11	–	(894)	(883)
	426,844	968,195	228,215	697,515	498,536	14,353	696,468	3,530,126
Support costs	104,470	310,393	53,826	160,262	67,517	–	(696,468)	–
Governance costs	1,579	4,258	4,138	1,579	2,799	(14,353)	–	–
Total expenditure 2024	532,893	1,282,846	286,179	859,356	568,852	–	–	3,530,126

Notes to the financial statements

For the year ended 31 March 2025

4 Net expenditure for the year

This is stated after charging:

	2025 £	2024 £
Depreciation	40,918	40,016
Operating lease rentals:		
Property	148,612	155,768
Other	8,710	8,345
Auditor's remuneration (excluding VAT):		
Audit	11,500	10,950
Other services	2,400	3,375
	<u>2,400</u>	<u>3,375</u>

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2025 £	2024 £
Salaries and wages	2,441,413	2,341,836
Social security costs	194,393	185,290
Employer's contribution to defined contribution pension schemes	87,667	72,577
	<u>2,723,474</u>	<u>2,599,703</u>

One employee earned between £60,000 and £69,999 during the year (2024: 1). No other employees earned over £60,000 in the year.

The total employee benefits including pension contributions of the key management personnel were £535,440 (2024: £520,336).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

There were £158 of trustee expenses representing the payment or reimbursement of travel and subsistence costs (2024: £137).

Pay ratio: The remuneration ratio for 1st Place is considered alongside external market conditions for the specific roles. The ratio of our highest salary (£65,562) to our lowest salary (£19,274) was 3.4 in 2025 (2024: 3.4).

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2025 No.	2024 No.
Children's Centre Services	14.6	13.6
Chumleigh Nursery	41.3	43.5
Cambridge House Nursery/ The Elephant Nursery	50.1	36.4
Lorrimore Nursery	15.4	40.6
Support	13.9	14.3
	<u>135.3</u>	<u>148.3</u>

Notes to the financial statements

For the year ended 31 March 2025

7 Related party transactions

There are no related party transactions to disclose for 2025 (2024: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

	Office Equipment £	Computer Equipment £	Fixtures and Fittings £	Computer Software £	Total £
Cost or valuation					
At the start of the year	27,073	75,788	218,124	12,610	333,595
Additions in year	1,420	11,770	2,556	–	15,746
Disposals in year	–	–	–	–	–
At the end of the year	28,493	87,558	220,680	12,610	349,341
Depreciation					
At the start of the year	15,576	47,454	190,661	2,430	256,121
Charge for the year	4,487	18,983	13,245	4,203	40,918
Eliminated on disposal	–	–	–	–	–
At the end of the year	20,063	66,437	203,906	6,633	297,039
Net book value					
At the end of the year	8,430	21,121	16,774	5,977	52,302
At the start of the year	11,497	28,334	27,463	10,180	77,474

All of the above assets are used for charitable purposes.

10 Debtors

	2025 £	2024 £
Trade debtors	11,281	91,024
Prepayments	43,688	48,057
Other debtors	5,735	14,292
	60,704	153,373

Notes to the financial statements

For the year ended 31 March 2025

11 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	88,231	39,284
Taxation and social security	42,432	43,723
Other creditors	172,096	165,159
Accruals	93,107	57,822
Deferred income (note 12)	80,434	144,699
	476,300	450,687

12 Deferred income

Deferred income comprises of nursery fees and Children's Centre income received in the year which relates to the subsequent financial year.

	2025 £	2024 £
Balance at the beginning of the year	144,699	81,695
Amount released to income in the year	(144,699)	(81,695)
Amount deferred in the year	80,434	144,699
Balance at the end of the year	80,434	144,699

13a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	49,548	–	2,754	52,302
Net current assets	525,775	39,814	22,423	588,012
Net assets at 31 March 2025	575,323	39,814	25,177	640,314

13b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	76,489	–	985	77,474
Net current assets	619,770	46,156	76,279	742,205
Net assets at 31 March 2024	696,259	46,156	77,264	819,679

Notes to the financial statements

For the year ended 31 March 2025

14a Movements in funds (current year)

	At 1 April 2024	Income and gains	Expenditure and losses	Transfers	At 31 March 2025
	£	£	£	£	£
Restricted funds:					
Special Education Needs	–	30,590	(85,725)	55,135	–
Family Support: Children's Centre Services	46,862	496,378	(543,240)	–	–
EYPP	13,150	7,650	(38,656)	17,856	–
Alexandra Rose Charity Grant	17,252	80,000	(72,075)	–	25,177
Total restricted funds	77,264	614,618	(739,696)	72,991	25,177
Unrestricted funds:					
Designated funds:					
Family Support Fund	943	–	–	–	943
Nursery Support Fund	45,213	–	(6,342)	–	38,871
Total designated funds	46,156	–	(6,342)	–	39,814
General funds	696,259	2,883,685	(2,931,630)	(72,991)	575,323
Total unrestricted funds	742,415	2,883,685	(2,937,972)	(72,991)	615,137
Total funds	819,679	3,498,303	(3,677,668)	–	640,314

14b Movements in funds (prior year)

	At 1 April 2023	Income and gains	Expenditure and losses	Transfers	At 31 March 2024
	£	£	£	£	£
Restricted funds:					
Special Education Needs	–	4,048	(69,970)	65,922	–
Family Support: Children's Centre Services	93,931	442,075	(489,144)	–	46,862
EYPP	10,567	2,583	–	–	13,150
Alexandra Rose Charity Grant	5,893	55,108	(43,749)	–	17,252
Total restricted funds	110,391	503,814	(602,863)	65,922	77,264
Unrestricted funds:					
Designated funds:					
Family Support Fund	943	–	–	–	943
Nursery Support Fund	49,497	–	(4,284)	–	45,213
Total designated funds	50,440	–	(4,284)	–	46,156
General funds	998,490	2,686,670	(2,922,979)	(65,922)	696,259
Total unrestricted funds	1,048,930	2,686,670	(2,927,263)	(65,922)	742,415
Total funds	1,159,321	3,190,484	(3,530,126)	–	819,679

Notes to the financial statements

For the year ended 31 March 2025

14 Movements in funds (continued)

Purposes of restricted funds

Special Educational Needs

These funds are used to provide additional support for children in the Nursery with special education needs. The deficit in the year is funded from general reserves representing part of 1st Place's charitable giving.

Family Support: Children's Centre Services

The Family Support fund represents funds from the London Borough of Southwark to help run Family Support and Training services at 1st Place Children and Parents' Centre.

EYPP

These are funds received for the Early Years Pupil Premium (EYPP) to support disadvantaged children in the Nursery. The deficit in the year is funded from general reserves representing part of 1st Place's charitable giving.

Alexandra Rose Grant

For distribution of Alexandra Rose Charity Fruit & Veg vouchers during the next year to local families in need.

Purposes of designated funds

The **Family Support Fund** is there to support families who encounter short term crises and do not have the available funds to address a short term need for example support to move home when being re-housed at short notice, or a family with no recourse to public funds whose main source of income is lost due to short term illness or hospitalisation.

The **Nursery Support Fund** has been created to support nursery families whose circumstances have changed, creating short-term financial pressure affecting their ability to maintain their child's attendance at a 1st Place nursery, or that family income in the short term will not cover the amount of hours their child needs to attend in order for parents/carers to work or study.

15 Reconciliation of net expenditure to net cash flow from operating activities

	2025 £	2024 £
Net (expenditure) for the reporting period (as per the statement of financial activities)	(179,365)	(339,642)
Depreciation charges	40,918	40,016
Dividends, interest and rent from investments	(39,605)	(35,845)
Decrease/ (Increase) in debtors	92,669	(104,886)
Increase in creditors	25,613	128,395
Net cash (used in) operating activities	(59,770)	(311,962)

Notes to the financial statements

For the year ended 31 March 2025

16 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2025 £	2024 £
Less than one year	145,700	145,700
One to five years	96,800	96,800
Over five years	16,133	40,333
	<u>258,633</u>	<u>282,833</u>

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

1ST PLACE CHILDREN AND PARENTS' CENTRE LTD

England & Wales - Charity number 1120124

Accounts

Company number: 05424738

Charity number: 1120124

1st Place Children and Parents' Centre Ltd.

Report and financial statements
For the year ended 31 March 2024

Contents

For the year ended 31 March 2024

Reference and administrative information	1
Chair of Trustees' report	2
Trustees' annual report	3
Independent auditor's report	16
Statement of financial activities (incorporating an income and expenditure account)	20
Balance sheet	21
Statement of cash flows	22
Notes to the financial statements	23

1st Place Children and Parents' Centre Ltd.

Trustees' annual report

For the year ended 31 March 2024

1st Place Children and Parents' Centre Ltd. Reference and administrative information for the year ended 31 March 2024

Company number	05424738
Country of incorporation	United Kingdom
Charity number	1120124
Country of registration	England & Wales
Registered office and operational address	12 Chumleigh Street LONDON SE5 0RN

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Karen Walker	Chair
Philip Wilkins	Treasurer
Ben Asmah	
Heba Ayoub	
Symon Bacon – Resigned March 2024	
Alan Dallas – appointed for second term March 2024	
Ruth Francis	
Lucy Grove – Resigned September 2023	
Heather Munn	
Wenli Tsai – Resigned January 2024	
Lornette Pemberton – Resigned January 2024	
Georgia Papacleovoulou	
Kate Newman	
Diederik Wintershoven - Resigned December 2023	
Alice Little	
Sue Tuttlebury	

Key management personnel	Nicola Howard	Director and Company Secretary
---------------------------------	---------------	--------------------------------

Bankers	Barclays 1-3 Butterfly Walk Camberwell London, SE5 8RW
----------------	---

Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane LONDON, EC1Y 0TG
----------------	---

Chair's Report

I am pleased to share with you the latest Annual report and audited accounts of 1st Place Children and Parent centre.

What an eventful year it has been. There have been some lovely highs, but some very difficult times also. Throughout the year we have been fortunate to have a very dedicated senior staff team, who ensured that all the difficult decisions were taken with children and their families first and foremost in their thoughts.

The closure of our nursery at Cambridge House was an emotional period for all those who experienced the upheaval and who dedicated themselves to making transitions for children and parents as smooth as possible. This period of change and renewal took a tough toll on staff across the organisation and they are to be congratulated for bearing all the change with fortitude and resilience.

These changes were occurring at a time of a difficult financial period for us all, so the fact that 1st Place have been able to weather the storm of the 'cost of living' crisis is testament to the careful husbandry of resources and the leadership of the senior team.

Our work within the Children and Family Centre continues to have many challenges, and the need for this ongoing important work is vital and the increasing cost of living makes it very difficult to ensure as many people are being offered the support they need. I, along with the Trustees, are so grateful for the continued hard work undertaken by the Family Services team, who never seem daunted by the task in hand and simply do their best every day and thank the whole team for their dedication and commitment to families in Southwark.

This year, as we make lots of transitions: to the Family Hub model, the first in Southwark and broadening our remit to bring services to older children; we are also entering our 20th year of operation and extending the offer of free early education, through the Government's newest scheme. Sometimes Government have great ideas, but the delivery can be difficult to manage. What a bonus for us then that we have a team well-schooled in the vagaries of Government funding and who can call upon our Trustees to help with understanding some of the intricacies of policy.

I finish this year with a quote from one of the earliest Pedagogues, Friedrich Froebel, who was the first to recognise the importance of play in early childhood, something we must always remember when developing learning for children:

*"Play is the highest expression of human development in childhood
for it alone is the free expression of what is in a child's soul."*

I give my heartfelt thanks to all the teams at 1st Place for such hard work during a tough year, they have never forgotten the importance of giving children the opportunity to express themselves through play.

Karen Walker
Chair of Trustees

Trustees' annual report

For the year ended 31 March 2024

The Trustees (who act as directors of the Charity for the purposes of the Companies Act) submit their annual report and the financial statements of 1st Place Children and Parents' Centre for the year ended 31 March 2024.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a director's report as required under company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure that the charity's aims, objectives and activities remained focused on its stated purposes. The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

1st Place is comprised of a purpose-built Children and Parents' Centre, with a number of additional sites providing early education and family support. It achieved charitable status in 2007 and has worked with the following aims:

1st Place shall be for the benefit of the residents in the London Borough of Southwark in particular families with young children, by:

1. Advancing the education of the residents through the provision of training and childcare facilities;
2. The provision of advice, support and guidance on issues relating to childcare, parenting, education, health and the environment;
3. The provision and maintenance of a family centre;
4. Encouraging the study of the needs of children and families in the (local area) and promoting public interest in and recognition of these needs; and
5. The promotion of environmental education and awareness.

How we work to achieve these objectives

1st Place achieves these objectives through the provision of;

- Innovative, high quality early learning experiences for young children;
- Training, volunteering and employment opportunities for local parents and other residents;
- Support for the regeneration of the local community in order to contribute to long-term social and economic stability.

1st Place Children and Parents' Centre also aims to nurture a community culture that celebrates diversity; a culture that models respect and support for young children and families as well as caring for the environment. 1st Place aims to support the ongoing growth and development of individuals and groups within the local community.

Our Aims

Since our inception in 2005, the aims of 1st Place have focused on the locally identified needs of children and families. 1st Place objectives also support Southwark Children's & Adult Services to deliver services and support within the Families Matter agenda and the achievement of the corporate priorities for Southwark's Children and Families' Trust's Children & Young People's Plan.

The Board of Trustees, the Director and senior managers have continued to develop the strategic direction of 1st Place and to action priority areas identified at the start of the year.

Our areas of focus for this period are:

- 1st Place at the Heart of the Community.
 - To maintain Family Services if funding decreases or ends in 2025.
 - Develop as a Family Hub
 - Further develop SEND expertise and capacity
 - Make our Early Education offer more visible
 - Develop outreach capacity to support nursery and family services
 - Develop our Adult Learning offer
 - Develop new community partnerships to compliment education and community support offer
 - Engaged internal and external stakeholders that know what we do and feel informed, valued and part of the 1st Place family.
- Excellence in All We Do.
 - Review organisational Vision & Values
 - Maintain and further develop our Green commitments
 - Make 1st Place more visible to community and professional networks
 - Define area of benefit for community services post-2025-26
- High Performing Teams.
 - Make 1st Place the best place to work
 - Clear policy for staff training, development and progression
 - Responsive and planned recruitment processes
 - Ensure pay and conditions are the best we can offer
 - Continued focus on wellbeing
 - Continue to develop employee benefits
 - All sites are running efficiently and provide the best environment for staff and service users
- Financial Sustainability.
 - Maintain/Develop reserves beyond those we need to sustain our operations
 - Nursery occupancy maintained at budgeted levels
 - Use of surplus to benefit our beneficiaries - Nursery/Community Support Fund
 - Goal to offer all salaries above London Living Wage
 - Plan for investment of reserves

Our partners during 2023-2024

- Bede House
- Homestart Southwark
- National Education Trust
- Kew Gardens
- Friends of Burgess Park
- Learning Unlimited
- Community Southwark
- Ripe Learning
- GSTT Midwifery
- Kings Midwifery
- Evelina London Speech & Language Therapy
- Evelina London Community Nutritionists
- Evelina London Health Visitors
- South London & Maudsley Parental Mental Health Service
- St Paul's Church Lorrimore Square
- Pembroke House
- Spring Community Hub
- Coin Street
- The Alexandra Rose Charity
- Impact on Urban Health
- University College of Osteopathy
- Community Tech Aid

Achievements and Performance

General

As 1st Place completes its 19th year, we do so in a time of continued change. The early education sector is experiencing some of its biggest changes for a number of years, with the introduction of the first phase of the extension of the free early education offer, with all children aged two to three years eligible for 15 hours per week, for 38 weeks per year of funded childcare. 1st Place continues to support families to access this funding, including those who are accessing the support term time only.

In June 2023 1st Place was designated as the first Family Hub in Southwark, building on our work as a Sure Start Local Programme and Children & Family Centre. Our remit is now broader, bringing services to families with children and younger people up to the age of 19, or 25 if they have additional needs, widening our partnership further.

In the summer of 2023, we opened a new nursery at Elephant and Castle following the sale of Cambridge House, from where we had operated since 2011. Relocating to a different area presented opportunities as well as the challenge of effectively starting a new nursery from scratch. We launched with a successful 'Image of the Child' exhibition, bringing parents and professionals from across London.

We learned at the end of 2023 that we were to be commissioned for a further year to transition from a Children & Family Centre to a Family Hub. The latter months of the year have seen a significant increase in the number of services seeking to establish themselves and their services at our two sites at Chumleigh Gardens and Victory School. This has included sessions linked to the Healthy Start First 1001 Days strand of Family Hubs, Infant Feeding support and Healthy Minds Thrive practitioners who support infant and parental mental health.

We also welcomed back our long-standing partners from University College of Osteopathy in November 2023. The year ended with more change, as we took the decision to combine our Lorrimore Square site with Elephant and Castle, due to the level of investment needed to make the improvements to the outside space. 1st Place at Lorrimore Square will close in July 2024, with the majority of families making the move to 1st Place at the Elephant.

1st Place at the Heart of the Community

Early Education

In addition to the changes to our nursery spaces this year, 1st Place had significant changes in the leadership of our Early Education teams. In June 2023, Bunmi Adams, Early Education Manager at Chumleigh Gardens left after almost 18 years of service. She was followed in March 2024 by the retirement of her colleague Marie Skelton, Head of Early Education who along with Bunmi had been members of the team that established the Children & Parents' Centre in 2005. Their skills and commitment during their tenure had played a significant part in developing our approach to early education as well as ensuring hundreds of children experienced a wonderful learning environment which gave them best start to their early education.

The importance of having skilled staff to support children with special educational needs is crucial to ensuring our early education provision is accessible to all children and families. Our support for children with additional needs continued to develop with the appointment of colleagues to work with children with social and communication as well as complex needs. During the year we supported 44 children across three sites, with 5 receiving input from the Southwark SENDIF team. 6 children secured Education and Health Plans in readiness for having additional support when they started school. Speech, language and communication needs continue to be the main need of support.

Our links with the Southwark Hearing Support team are well established and they continue to run a weekly session at 1st Place. The sessions provide parents with the opportunity to meet others who have children with a hearing loss, and they can share their experiences in a safe place. With an average of five families attending each session, parents see it as place to make contact with other parents with similar experiences. The session is led by Teachers of the Deaf along with input from a specialist Speech and Language therapist.

Trustees' annual report

For the year ended 31 March 2024

We have continued to be involved in the Southwark 'Short Breaks' initiative' which supports families of children with Special Educational Needs and Disabilities (SEND) through an offer of play learning sessions and holiday clubs for children and young adults 0-25. This year 34 children attended our monthly Saturday session. Our weekly Monday Sensational stay and play with SEND has also grown in popularity, with 57 children attending this year.

Nursery capacity has been at a premium particularly at our Chumleigh Gardens site following an intake of children as the Cambridge House site closed. This impacted our waiting list, and we have been unable to take any new children on roll until September 2024. We were able to offer flexibility to families through short term placements at Lorrimore Square and from July 2023 at Elephant and Castle. We undertook extensive publicity as the new site came on stream, including campaigns on London Transport as well as targeted social media. However, word of mouth – personal recommendation from families who are already using our nurseries remains the most effective. This year 273 children attended our full day care.

The accessibility of our nursery services to all in our community remains key to our mission. This year 183 families accessed their Free Early Education Entitlement at 1st Place, 95 children used places that were funded solely through the Free Early Education Offer and Free early Education Entitlement, at no cost to their families. While affordability of early years education remains a significant issue for parents, providers and the government, we remain committed to fees that are in line with similar providers, and in 2022-23 they were increased below the level of inflation. Over the next year Trustees will be monitoring the diversity of our nursery intake, to ensure that it reflects the community we serve, and to take action where this is not the case, through widening our community outreach, which is supported by our work as a Family Hub.

The research project on Adventurous Play initiated by our Erasmus visits to Italy, Sweden and Poland was completed in summer 2023, with plans to publish a journal article in 2024, further strengthening our links with the University of Greenwich.

As part of the Family Hubs Best Start for Life programme the Early Words Together (EYT) programme was extended to children aged 3-4 years. 1st Place had previously delivered EYT at our Cambridge House nursery in 2022, with the Lorrimore Square team offering the programme this year. The team received positive feedback from Southwark Council

"It was clearly evident from the parents comments, seeing the joy on the children's faces when they received their certificates and the feedback the staff shared regarding their children's and families participation, that the dedication, enthusiasm and creativity it must have taken to deliver and enrich this programme, that it will have a lasting impact on their Home Learning Environment and the children's developmental outcomes in speech, language and communication."

Second Image of the Child exhibition

In June 2023, we launched our new site at Elephant and Castle with our second 'Image of the Child' exhibition. This brought together a wealth of creative projects which the children had worked on over the previous year. Families and early education professionals from across the borough attended the exhibition over a week.

Supporting our Families through Children and Family Centre Services

At the end of March 2024, our contract with Southwark council to deliver Children & Family Centre services was extended again to the March 2025, and we await an update on the recommissioning of the service. This extension has enabled us to retain a range of universal and targeted sessions for families in 2023-25. During the 2023-24 period a total of 720 new children were registered with the Children & Family Centres in the Borough, Bankside & Walworth area of Southwark, exceeding our annual target.

As we began to develop as a Family Hub, we saw a return to our centres of a number of partners who had been absent since the pandemic. It has been encouraging to see our buildings even busier than before, with our physical space operating at capacity.

Our aim to expand our community partnerships this year was met through both making new relationships and growing existing ones. We welcomed back University College of Osteopathy, who have run a Paediatric clinic

Trustees' annual report

For the year ended 31 March 2024

with links to 1st Place since before our building was completed in 2005. Free at the point of access this weekly clinic sees an average of 9 children each week, with over 26 children being seen at the clinic since it started in November 2023. Running alongside the Infant Feeding support session, parents are able to access consultations which help with early childhood issues such as sleep and colic.

In August 2023, we began to work in partnership with the charity 'Get Rid of and Donate' (GROAD), who are an environmental non-profit organisation focusing on reducing domestic and commercial waste to landfill by recycling and preventing poverty in communities. Running weekly sessions, they provided families with access to clothes, resources for the home and toys and games for free. Their 'pop-up' also ran during half term holidays, and we look forward to welcoming Andrea and her team back in summer 2024.

In early 2023 we were approached by the Learning and Participation team from Kew Gardens to be involved in an early years outreach programme. In March they delivered four play learning sessions with families using our open access services. They were then invited to a day out at Kew Gardens to take part in a session there, with lunch and the chance to explore the garden. Later in the year a group of Early Education staff attended a days training on outdoor learning.

Maintaining and developing our adult learning offer has been a focus this year, with our partnership with Ripe Learning adding Digital & IT Skills training to the two established ESOL courses. We have continued our parent development offer, through training and advice services. The weekly Family Advice and Guidance session joined forces with the new Adolescent Sure Start team, enabling us to reach families with older children, with appointments with Job Centre Plus also on offer.

We were pleased to host the Southwark Parenting team again this year. Empowering Parents, Empowering Communities ran for three terms with 37 parents enrolling and 25 completing the course. The Fathers Group ran from 1st Place for the fifth year. The course aims to support fathers and male caregivers to improve their relationships with their children. This year 77 men enrolled on the course and 61 graduated.

In our sixth funded year, the Southwark Rose Vouchers Project for Fruit and Veg continued to go from strength to strength, supported by 4 dedicated Rose Voucher volunteers. Over the year, a total of 1070 families collected and spent Rose Vouchers, with 1755 eligible children supported. In March we gave out our one millionth Rose Voucher - that means £1 million pounds going into the Southwark community via street markets.

As well as providing families with vouchers to buy fruit and veg in the local market, we continued to give other practical help, through referrals and signposting to services, activities and resources to support their wellbeing. These included foodbanks, advice and guidance, health and wellbeing workshops, and specialised groups for young children with additional needs (to name just a few!). We also further focussed on supporting Rose Voucher families with children under 4 to register for Healthy Start, meaning that 399 eligible families accessed an additional £4.25 income to spend on fruit, vegetables, milk and beans / pulses. And we continued our informal mission to support families to save money in any ways possible, including enabling a majority of families responsible for paying their water bills to receive a 50% discount annually.

In November, we were pleased to be selected as a Community Referral Pathway partner for Southwark Council's Cost of Living Fund. This was a £100 discretionary payment which Southwark Council made available for residents experiencing financial hardship, including refugees and asylum seekers. Over the course of the scheme, we successfully referred 55 Rose Voucher families to receive at least one (and, in some cases, two) payments towards their bills over the winter period.

We were delighted to receive funding for an additional post for the project, meaning that in the year ahead we can do even more to support families' health and wellbeing, and better understand the significant difference Rose Vouchers are making for local families.

The Family Services team received an average of two allocations each week for one-to-one support from family early help, with the Community Family Workers carrying an average caseload of 15 families each. Cases continue to be complex, with housing, domestic abuse and mental health being the main presenting issues. There has been an increase in volume of allocations, which are step down or step across from social care. This year due to the

Trustees' annual report

For the year ended 31 March 2024

complexity of the cases allocated to our service the number of cases suitable to stepped down to the early years team has reduced.

We are working closely with the Healthy Minds Thrive team to put in place support as soon as mental health needs are established. We also additional funding at the end of the financial year to create outreach capacity within the Family Hub. These posts will support the Healthy Minds Thrive team with outreach to families who are not using our services and will include a Fathers worker.

Our work with Fathers and male carers has continued to grow and consolidate. The Saturday group, led by Community Family Worker Phil Robson, is in its second year and regularly attracts over 20 dads and their children to the sessions. An event to mark International Men's Day was held in November, bringing together and number of services including men's health checks.

Bede House delivered two further cycles of the Freedom programme at 1st Place. 29 women joined their IDVA-led group programme this year. They have continued to run these group sessions in person, to support participants' ability to support and learn from each other as much as from the course leaders. Feedback is consistently positive:

I feel like I've grown and changed a lot in a short time.

I wouldn't have made the positive changes in my life without this group

The course was an eye opener. Learned about the hidden ways I experienced abuse that I was not aware of and normalised.

In February 2023, Bede began a programme of art therapy for children aged 5-10 who have witnessed Domestic Abuse in the home. 13 children have completed to date. Feedback from parents has been overwhelmingly positive, and Bede's ability to work with both parent and child has enabled them to pick up and support families in dealing with issues quickly from multiple angles.

High Performing Teams

While as an organisation we have experienced another difficult year, losing one of our nurseries, starting from scratch at a new site, while operating in a sector under significant change, our team have again risen to the challenge, giving their very best for children and families. To continue to demonstrate our commitment to our staff and ensuring our retention levels are above average, Trustees took the decision to offer a pay increase above the sector average. This was achieved while keeping nursery fee increases below cost of living, supplementing the cost from reserves. As a result, we have good staff retention and colleagues have supported us by recommending new prospective candidates, incentivised by the staff recruitment bonus, along with increased external marketing have seen our retention rates improve by 12% since 2022. Over 30% of staff have worked for 1st Place for over 5 years.

1st Place is committed to staff development and progression, and we have maintained links with accredited training providers, with whom 1st Place staff can continue their professional development. This year five members of staff completed NVQ L3 and one completed L2.

The wellbeing of our employees is a primary focus, also contributing to staff retention. Uptake of benefits offered by 1st Place was positive, including access to an online GP service, with 36 staff using the app for a consultation, when they have been unable to book a face-to-face appointment with their own doctor. We were also able to improve our online counselling service with the number of sessions offered increasing from 4 to 8, enabling timely help to those who need it. Four staff completed their training as Mental Health 1st Aiders, who provide local signposting support to colleagues in all our teams.

In 2023 in response to the staff survey, we introduced a termly budget allocation to staff to enable them to spend time together socialising outside work, and this has proved really popular across all departments.

Serious Incident Reporting

None to report

Safeguarding Duties

As an organisation 1st Place acknowledge and act on our duty of care to staff and service users. Trustees recognise that being safe and free of abuse is central to ensuring the continued promotion of a person's wellbeing. 1st Place has policies and procedures in place to enable us to respond to all concerns of abuse appropriately, operating in line with the Southwark Safeguarding Children's Partnership Board guidance and Pan London Multi-Agency Safeguarding Policy. Our policies and procedures for children and adults at risk are reviewed annually. Our trustee safeguarding lead is Alan Dallas for 2023-24.

All Trustees are required to undertake Safeguarding for Trustees training. The Director is the Named Person, supported by eight Designated Safeguarding leads. All staff have Safeguarding Children training on appointment and every two years, appropriate to their level of responsibility. Senior Managers undertake Safer recruitment training every three years.

Trustees confirm that Internal processes concerning the conduct of members of the 1st Place team show there were no allegations made against a trustee, an employee, an intern, or a volunteer by a service user during 2023-24. There was one complaint raised to Ofsted in relation to care of a child in one of our nurseries, which was not upheld with no further action.

Financial Sustainability

We started this financial year losing our established site at Cambridge House and managing a complex transition to a new home at Elephant & Castle. Initially, this provided the opportunity to expand the number of nursery places offered across 1st Place nurseries by 32. This moved our operations to a new location further north of the borough, and we were faced with opening the nursery from a complete standing start. This impacted on our overall performance, with our numbers well below what had been budgeted, bearing in mind that when the Budget for 2023-24 had been approved by the Board, neither the closure of Cambridge House & Lorrimore Square nor the acquisition of Elephant & Castle had been, nor could have reasonably been, anticipated.

In December 2023, Trustees took the decision to cease running our nursery at St Pauls Church in Lorrimore Square. Over several years there had been significant investment made in planning for improvements to the exterior of the building and access for children to the outdoors. However, with increasing material and labour costs, the level of expenditure on a building with a short-term lease was not considered a good investment. The nursery will close in July 2024, with most families taking up the option to move their children to 1st Place at the Elephant. As we enter a new financial year, we are seeing the green shoots of the hard work of the team across all departments, with occupancy levels forecast to achieve planned levels by January 2025.

On a more positive note, performance at our Chumleigh Gardens site continued to be strong, and with numbers of places increased to accommodate children who had moved following the closure of Cambridge House. Occupancy levels exceeded budget, to a point mitigating some of the overall underperformance. Demand for places remains high and we began 2024-25 exploring how the extension of the Free early Education Entitlement will impact demand for places in our nurseries. With expansion to funding for children over 2 years of age in April 2024, the hourly rate funded by the Government has increased, while rates for children over 3 years remained static.

Funding from Southwark Council for Children & Family Centre services received no increase in 2023-24, and with the contract extended again for a further year, and with no increase since 2016, the majority of the funding is allocated to staffing and provision of facilities for services provided by our central team and a growing number of partner services. As we begin the 2024-25 financial year, our budget was cut by £40,000, and we were invited to submit an expression of interest to tender for a contract from April 2025.

Trustees' annual report

For the year ended 31 March 2024

Our Facilities Team have had a busy year dealing with the structural changes in our operations and have refurbished our community kitchen at Chumleigh Gardens. 2024/25 will bring a focus on planned preventative maintenance

Principal funding

The continuing growth and success of 1st Place this year has been facilitated by consistent funding and we would particularly like to acknowledge Southwark Children and Adult Services for the allocation of Children and Family Centre funding, the Free Early Education Entitlement and Free Early Education Offer. As ever, the continued commitment of local parents to our nursery, and of local services and groups for our room hire, is crucial to the continuation of our services.

Investment policy and performance

1st Place current account continues to be held with Barclays Bank. We have moved our cash reserves into a number of bank accounts under the Charities Aid Foundation Platform. We took the decision that no single deposit should exceed the Financial Services Compensation Scheme limit of £85k. We have earned over £35k in deposit interest at well over 4% combined interest rate

Financial Review

After eight years of steady growth generating consistent financial Surplus, this year has proven to be very challenging. Even in the two years worst affected by Covid, we maintained strong residual Reserves. This was largely due to our successful insurance payout of £245K for loss of income during periods of enforced closure. As last year, 2022-23, drew to a close it was clear that we would have to vacate one of our two flagship nurseries, in Cambridge House. Whilst our legal challenge that resulted in compensation for termination of the licence, was successful, the legal costs of doing so eliminated the compensation.

The executive team demonstrated their best working practices and skill in reducing the impact of the Cambridge House closure by accommodating most of the displaced children in Chumleigh Gardens. In fact, by the year end, the operating surplus at Chumleigh Gardens nearly matched the combined budgets of Chumleigh & Cambridge House.

Nevertheless, this could not provide a long term solution and so we progressed to completion, our negotiations to take a 12 year lease on The Elephant & Castle Nursery. The lease was signed in July 2023 but we were not able to start to take in children until September of that year. The eventual capacity of Elephant & Castle will be nearly 100 places. However, whilst it had been an operating nursery prior to Covid, there were no existing clientele and so we started from scratch. Additionally, the demand for nursery places tends to peak at the start of school terms, e.g. September, January & April, September being by far the strongest. We had not established a "presence" in that area in time to attract children for September 2023 and so the build-up of occupancy has been slower than we would have hoped.

Further, whilst our third nursery in Lorrimore Square had, for a number of years, contributed to our surplus, more recently the local demographics had brought about a change in the balance between Parent Paid and FEEE funded places and a resultant loss of net revenue. Further the improvements to the facilities, identified as costing approx £200K, were not practical without the landlord also remedying significant infrastructure issues. It was with regret that in December 2023 we decided to withdraw from Lorrimore Square by mid-2024.

The combined effect of the above changes has been a significant depletion of our Reserves. These changes were neither planned nor foreseen prior to finalising the 2022-23 Annual Report.

The Board agreed a Recovery Strategy at their meeting in December 2023, which predicted the eventual Deficit of c£(350)K in 2023-24 and a further Deficit of c£(160)K in 2024-25 but returning to Surplus in 2025-26. Throughout this period, whilst the ratio of Operating Costs to Unrestricted reserves will at times be less than 3.0, we are confident that our Reserves will be sufficient at all times to meet our legal & moral obligations to our Staff, Suppliers & Landlords.

Reserves Policy

The 1st Place Reserves Policy is to maintain total free reserves, excluding the element which relates to tangible fixed assets, at a level which is no less than approximately three month's operating costs. This policy provides the ability to cope with unforeseen expenditure of both a capital and an expenditure nature, and with interruptions in income flows. 1st Place has focussed on building adequate reserves over the last eleven years, while within the sector there had been a shift towards risk-based reserves policies. However, no one could have foreseen the impact of a global pandemic on both commercial as well as not for profit sectors, and never has the need to maintain adequate reserves been more apparent.

The Reserves Policy is reviewed and amended annually by the Board of Trustees.

Total free reserves at 31 March 2024 are £620k. The target level of reserves, representing three months of forecast operating costs in 2024/25, is £734k. Following this year of structural changes our reserves represent 2.5 months of operating costs at 31st March 2024. This is expected to reduce to a low of 2.4 months cover in 2024/25 and then improve in the following years.

Fundraising

1st Place Children and Parents' Centre Ltd does not engage in large scale public fundraising and does not use professional fundraisers or commercial participators. Nevertheless, the charity observes and complies with the relevant fundraising regulations and codes. During the year, there was no non-compliance of these regulations and codes and the Centre received no complaints relating to its fundraising practice.

Plans for the future

Over the next year, working within our 2024-2027 Strategic Plan we will:

- Bring 1st Place at the Elephant nursery to levels of occupancy required to sustain the organisation, maximising the additional capacity it affords.
- Continue our commitment to 1st Place being an organisation where equity, inclusion and opportunity is a reality for everyone.
- Tender for delivery of Family Hub to maintain community and family support services from April 2025.
- Goal to offer all salaries at or above London Living Wage
- Continue to develop fundraising capacity
- Further development of Green credentials through seeking funding for capital funding to update our ability to generate our own energy.

Structure, governance and management

1st Place Children and Parents' Centre is a registered charity and company limited by guarantee with no share capital. The liability of Trustees in the event of insolvent liquidation is limited to £1 each. The members of the Board of Trustees are appointed by members of the Board. Day-to-day management of the Charity is delegated to the Director who is responsible for other staff. The Board of Trustees meet regularly, with five sub-committees (Early Education, Finance & General Purposes, Human Resources Community Services and Safeguarding) overseeing the operational activities of the organisation.

The Full Board meets quarterly to approve the business undertaken in the sub-committees. Additional working groups convene as and when required. Trustees are given appropriate induction, upon appointment, and ongoing training as required to assist them in fulfilling their role. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 5 of the accounts.

Remuneration Policy

We recognise the importance of being transparent and accountable in all aspects of our work, including how we reward and recognise our staff. We are working towards paying the London Living Wage (or becoming an accredited Living Wage Employer). The London Living Wage is an hourly rate set independently and updated

Trustees' annual report

For the year ended 31 March 2024

annually, based on the cost of living in London. 1st Place 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. In deciding on levels of pay, the following factors are taken into account:

1. The mission, aims, objectives and values of 1st Place.
2. How any decisions might impact on the overall pay policy for all staff.
3. The type of skills, experience, competences etc. that our organisation needs.
4. A significant increase in responsibilities for a member of staff, or major change in job description.
5. Our current strategic business plan and how this might affect future needs.
6. Our ability to pay. It is our aspiration to pay a cost of living increase each year to all staff.
7. Regular benchmarking of salaries relative to pay levels in other charities in the sector of equivalent size, budgets and responsibilities, using independent external information.
8. Our track record in recruiting and retaining high-performing staff.
9. The impact of any decision on our public reputation, especially amongst our service users and stakeholders.

Performance Management

We have a performance management and appraisal policy that:

- Promotes a consistent approach to workforce supervision throughout 1st Place.
- Ensures that supervision is geared to achieving the organisation's objectives.
- Addresses the personal impact of work on all 1st Place's staff, volunteers, interns and trainees.

Risk Assessment

The Board of Trustees regularly review and assess the risks faced by 1st Place in all areas of its work, and plan for the management of those risks. The management ensure that all plans and decisions consider the possibility of negative outcomes. There is a Risk Register which is compiled and monitored quarterly by the Finance & General Purposes (F&GP) sub-committee, reported on quarterly at meetings of the Full Board and reviewed annually to ensure that the material risks to which the charity is exposed are evaluated and managed. The Director and senior management team implement appropriate mitigating actions to address the residual risks, mitigating them to a level the Trustees consider acceptable. The Board of Trustees recognises that, to achieve the objectives of the charity, the nature of some of 1st Place work requires acceptance of some risks that are outside our control, that is, risks which cannot be eliminated, so where this happens there is active and clear monitoring of the risk. The Facilities Manager will carry out a Health & Safety risk assessment when any risk is identified. The Risk Register working group reporting to F&GP sub-committee are working with the senior management to solidify the appropriate systems and controls to monitor, manage and mitigate exposure to risks. Principle risks and uncertainties are assessed for impact and likelihood.

Principal risks and uncertainties

The highest risk areas have been identified as follows:

- Failure to generate sufficient income
 - The volatile global and national economic situation and additional local stresses created by changes to one of our premises and the proposed changes to the commissioning and delivery of Children & Family Centre services have all had an impact across our identified risks
- We have taken steps to protect our reserves and mitigate the chance of default risk by ensuring that funds held at any one financial institution fall within the FSCS bank protection limit.
 - Increased running costs will impact our ability to generate a surplus and may reduce our free reserves.

Trustees' annual report

For the year ended 31 March 2024

- Regular monitoring of occupancy using latest nursery management software so that trends can be identified, and forward planning termly is effective so that waiting lists can be maintained.
- Failure to effectively manage budget and liquidity.
 - Close monitoring monthly and quarterly of income and expenditure at an operational and strategic level by managers and Trustees.
 - Budgets reviewed by Treasurer, Director and Business Manager to ensure they are realistic and achievable, with reforecasting as necessary.
- Effective forecasting of our liabilities particularly in relation to the mix of our property tenure and management of our facilities. Ensuring that standards are maintained with Ofsted at Good or Outstanding
 - Continued investment in recruitment of well qualified staff and investment in ongoing CPD (Continuous Professional Development).
 - Continuing to evolve our Early Education offer in line with the Reggio Emilia approach and outdoor learning.
- Failure to maximise potential of 1st Place at the Elephant site.
 - Financial modelling has enabled us to understand the changes to our income and maintenance of reserves over a two-year period.
 - Impact of the expansion of the Free Early Education Entitlement will present opportunities for growth in occupancy and challenges adapting to the changing market, particularly staffing sufficiency.
- Failure to ensure we are the best place to work and provide the best services for our beneficiaries
 - Responding to the complex needs of our beneficiaries and staff including short term financial and social difficulties,
 - Ensuring we remain committed to promoting staff wellbeing

Statement of responsibilities of the trustees

The Board of Trustees is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Company law requires the Trustees, who are also the charitable company's directors, to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements. Prepare the financial statements on a going concern basis (unless it is inappropriate to presume that the charity will continue in operation);
- and observe the methods and principles of the Charities SORP.

The Board of Trustees has overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping adequate accounting records, which disclose with reasonable accuracy, are sufficient to show and explain the charity's transactions and the financial position of the charity at any time and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps

Trustees' annual report

For the year ended 31 March 2024

for the detection and prevention of fraud and other irregularities. Statement of disclosure of information to auditors.

Statement of disclosure of information to auditors

We, as the directors of the charitable company who held office at the date of approval of these financial statements as set out on page one, each confirm, so far as we are aware, that:

- There is no relevant audit information of which the charitable company's auditors are unaware.
- We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Preparation of this report

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 11 September 2024 and signed on their behalf by

Karen Walker
Chair

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

Opinion

We have audited the financial statements of 1st Place Children and Parents' Centre Ltd (the 'charitable company') for the year ended 31 March 2024 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 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
- 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 1st Place Children and Parents' Centre Ltd's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

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 are set out below.

Capability of the audit in detecting irregularities

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

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - 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 related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

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. This 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: 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Noelia Serrano (Senior statutory auditor)

Date: 16 October 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

1st Place Children and Parents' Centre Ltd.

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

	Note	General £	Designated £	Restricted £	2024 Total £	General £	Designated £	Restricted £	2023 Total £
Income from:									
Donations and legacies		2,187	-	-	2,187	2,589	-	3,073	5,662
Charitable activities									
Children's Centre Services	2a	19,402	-	497,183	516,585	4,440	-	467,274	471,714
Chumleigh Nursery	2a	1,372,258	-	1,507	1,373,765	978,214	-	6,623	984,837
Cambridge House Nursery	2a	231,321	-	94	231,415	929,608	-	2,591	932,199
Lorrimore Nursery	2a	697,676	-	1,535	699,211	676,481	-	7,964	684,445
The Elephant Nursery	2a	289,434	-	3,495	292,929	-	-	-	-
Investments		35,845	-	-	35,845	3,241	-	-	3,241
Other		38,547	-	-	38,547	304	-	-	304
Total income		2,686,670	-	503,814	3,190,484	2,594,877	-	487,525	3,082,402
Expenditure on:									
Raising funds	3	-	-	-	-	16,969	-	-	16,969
Charitable activities									
Children's Centre Services	3	-	-	532,893	532,893	-	57	504,077	504,134
Chumleigh Nursery	3	1,257,771	-	25,075	1,282,846	911,375	3,440	35,208	950,023
Cambridge House Nursery	3	281,580	-	4,599	286,179	900,692	-	18,651	919,343
Lorrimore Nursery	3	827,348	4,284	27,724	859,356	733,437	2,130	31,874	767,441
The Elephant Nursery		556,280	-	12,572	568,852	-	-	-	-
Total expenditure		2,922,979	4,284	602,863	3,530,126	2,562,473	5,627	589,810	3,157,910
Net (expenditure)/ income for the year		(236,309)	(4,284)	(99,049)	(339,642)	32,404	(5,627)	(102,285)	(75,508)
Transfers between funds		(65,922)	-	65,922	-	(20,791)	-	20,791	-
Net movement in funds		(302,231)	(4,284)	(33,127)	(339,642)	11,613	(5,627)	(81,494)	(75,508)
Reconciliation of funds:									
Total funds brought forward		998,490	50,440	110,391	1,159,321	986,877	56,067	191,885	1,234,829
Total funds carried forward		696,259	46,156	77,264	819,679	998,490	50,440	110,391	1,159,321

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

1st Place Children and Parents' Centre Ltd.

Balance sheet

Company no. 05424738

As at 31 March 2024

	Note	£	2024 £	2023 £
Fixed assets:				
Tangible assets	9		<u>77,474</u>	<u>56,767</u>
			<u>77,474</u>	<u>56,767</u>
Current assets:				
Debtors	10	153,373	48,487	
Cash at bank and in hand		<u>1,039,519</u>	<u>1,376,359</u>	
		<u>1,192,892</u>	<u>1,424,846</u>	
Liabilities:				
Creditors: amounts falling due within one year	11	<u>450,687</u>	<u>322,292</u>	
Net current assets			<u>742,205</u>	<u>1,102,554</u>
Total net assets	13		<u><u>819,679</u></u>	<u><u>1,159,321</u></u>
The funds of the charity:	14			
Restricted income funds			<u>77,264</u>	<u>110,391</u>
Unrestricted income funds:				
Designated funds		46,156	50,440	
General funds		<u>696,259</u>	<u>998,490</u>	
Total unrestricted funds			<u>742,415</u>	<u>1,048,930</u>
Total charity funds			<u><u>819,679</u></u>	<u><u>1,159,321</u></u>

Approved by the trustees on 11 September 2024 and signed on their behalf by

Karen Walker
Chair

1st Place Children and Parents' Centre Ltd.

Statement of cash flows

For the year ended 31 March 2024

	Note	2024	2023
		£	£
Cash flows from operating activities	15		
Net cash (used in) operating activities		(311,962)	(60,241)
Cash flows from investing activities:			
Dividends, interest and rents from investments		35,845	3,241
Purchase of fixed assets		(60,723)	(28,726)
Net cash used in investing activities		(24,878)	(25,485)
Change in cash and cash equivalents in the year		(336,840)	(85,726)
Cash and cash equivalents at the beginning of the year		1,376,359	1,462,085
Cash and cash equivalents at the end of the year		1,039,519	1,376,359

Notes to the financial statements

For the year ended 31 March 2024

1 Accounting policies

a) Statutory information

1st Place Children and Parents' Centre Ltd is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 12 Chumleigh Street, London, SE5 0RN.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2024

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

● Cost of raising funds	2%
● Children's Centre Services	15%
● Chumleigh Nursery	44%
● Cambridge House Nursery	7%
● Lorrimore Nursery	22%
● Elephant Castle Nursery	9%

Governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

● Cost of raising funds	5%
● Children's Centre Services	11%
● Chumleigh Nursery	28%
● Cambridge House Nursery	28%
● Lorrimore Nursery	9%
● Elephant Castle Nursery	19%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

The Support costs allocation to cost of raising funds represents an apportionment of our Marketing Manager's salary & marketing spend related to that function. We intend to employ a Fundraiser and will therefore have directly attributable costs in the future

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

Notes to the financial statements

For the year ended 31 March 2024

1 Accounting policies (continued)

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Office equipment	25% straight line
● Fixtures & Fittings	25% straight line
● Computer equipment	33% straight line
● Computer software	33% straight line

l) Debtors

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

m) Cash at bank and in hand

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

n) Creditors and provisions

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

o) Financial instruments

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

p) Pensions

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

Notes to the financial statements

For the year ended 31 March 2024

2a Income from charitable activities

	Unrestricted £	Restricted £	2024 Total £	2023 Total £
LB of Southwark: Children's Centre	–	442,075	442,075	420,464
Alexandra Rose Charity Grant	–	55,108	55,108	46,810
External Bookings	19,402	–	19,402	4,440
Sub-total for Children's Centre Services	19,402	497,183	516,585	471,714
LB of Southwark – free education entitlement	248,815	–	248,815	182,160
Nursery Fees	1,099,620	–	1,099,620	771,635
LB Southwark: Special Education Needs (SEN)	–	1,012	1,012	5,480
LB Southwark: Deprivation fund	23,823	–	23,823	24,419
Early Years Pupil Premium (EYPP) Grant	–	495	495	1,143
Sub-total for Chumleigh Nursery	1,372,258	1,507	1,373,765	984,837
LB of Southwark – free education entitlement	34,538	–	34,538	117,720
Nursery Fees	193,730	–	193,730	798,341
LB Southwark: Special Education Needs (SEN)	–	–	–	2,024
LB Southwark: Deprivation fund	3,053	–	3,053	13,547
EYPP Grant	–	94	94	567
Sub-total for Cambridge House Nursery	231,321	94	231,415	932,199
LB of Southwark – free education entitlement	151,198	–	151,198	76,560
Nursery Fees	530,365	–	530,365	581,186
LB Southwark: Special Education Needs (SEN)	–	–	–	7,084
LB Southwark: Deprivation fund	16,113	–	16,113	18,735
EYPP Grant	–	1,535	1,535	880
Sub-total for Lorrimore Nursery	697,676	1,535	699,211	684,445
LB of Southwark – free education entitlement	86,500	–	86,500	–
Nursery Fees	192,960	–	192,960	–
LB Southwark: Special Education Needs (SEN)	–	3,036	3,036	–
LB Southwark: Deprivation fund	9,974	–	9,974	–
EYPP Grant	–	459	459	–
Sub-total for The Elephant Nursery	289,434	3,495	292,929	–
Total income from charitable activities	2,320,657	503,814	3,113,905	3,073,195

Notes to the financial statements

For the year ended 31 March 2024

2b Income from charitable activities (prior year)

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
LB of Southwark: Children's Centre	–	420,464	420,464	421,717
Alexandra Rose Charity Grant	–	46,810	46,810	34,095
External Bookings	4,440	–	4,440	5,514
Sub-total for Children's Centre Services	4,440	467,274	471,714	461,326
LB of Southwark – free education entitlement	182,160	–	182,160	150,207
Nursery Fees	771,635	–	771,635	758,895
LB Southwark: Special Education Needs (SEN)	–	5,480	5,480	10,120
LB Southwark: Deprivation fund	24,419	–	24,419	25,697
Early Years Pupil Premium (EYPP) Grant	–	1,143	1,143	906
Sub-total for Chumleigh Nursery	978,214	6,623	984,837	945,825
LB of Southwark – free education entitlement	117,720	–	117,720	91,646
Nursery Fees	798,341	–	798,341	765,838
LB Southwark: Special Education Needs (SEN)	–	2,024	2,024	2,420
LB Southwark: Deprivation fund	13,547	–	13,547	14,956
EYPP Grant	–	567	567	604
Sub-total for Cambridge House Nursery	929,608	2,591	932,199	875,464
LB of Southwark – free education entitlement	76,560	–	76,560	186,410
Nursery Fees	581,186	–	581,186	398,032
LB Southwark: Special Education Needs (SEN)	–	7,084	7,084	3,432
LB Southwark: Deprivation fund	18,735	–	18,735	29,526
EYPP Grant	–	880	880	1,677
Sub-total for Lorrimore Nursery	676,481	7,964	684,445	619,077
Total income from charitable activities	2,588,743	484,452	3,073,195	2,901,692

Notes to the financial statements

For the year ended 31 March 2024

3a Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities				The Elephant Nursery	Governance costs £	Support costs £	2024 Total £	2023 Total £
		Children's Centre Services £	Chumleigh Nursery £	Cambridge House Nursery £	Lorrimore Nursery £					
Staff costs (Note 5)	–	384,922	765,164	174,603	560,652	312,080	–	402,282	2,599,703	2,360,959
Other staff costs	–	8,042	23,999	6,264	19,207	11,563	–	18,535	87,610	187,327
Direct costs	–	10,514	42,786	11,738	20,538	27,840	–	10,181	123,597	119,770
Premises costs	–	4,361	37,942	21,039	41,802	87,697	–	21,194	214,035	139,034
Rental equipment	–	1,946	2,345	281	1,265	1,058	–	1,450	8,345	9,222
Utilities	–	10,676	71,681	4,963	28,131	39,377	–	73,669	228,497	134,704
Office costs	–	5,897	10,947	3,358	23,072	10,993	1,904	91,514	147,685	103,658
Legal and professional fees	–	–	1,503	540	1,503	2,763	12,449	49,952	68,710	69,176
Promotion	–	–	–	–	–	25	–	12,786	12,811	7,031
Depreciation	–	486	11,828	5,429	1,345	5,129	–	15,799	40,016	29,454
Bad debt	–	–	–	–	–	11	–	(894)	(883)	(2,425)
	–	426,844	968,195	228,215	697,515	498,536	14,353	696,468	3,530,126	3,157,910
Support costs	–	104,470	310,393	53,826	160,262	67,517	–	(696,468)	–	–
Governance costs	–	1,579	4,258	4,138	1,579	2,799	(14,353)	–	–	–
Total expenditure 2024	–	532,893	1,282,846	286,179	859,356	568,852	–	–	3,530,126	3,157,910
Total expenditure 2023	16,969	504,134	950,023	919,343	767,441	–	–	–	3,157,910	

Of the total expenditure, £2,927,263 was unrestricted (2023: £2,568,100) and £602,863 was restricted (2023: £589,810).

Notes to the financial statements

For the year ended 31 March 2024

3b Analysis of expenditure (prior year)

		Charitable activities						
	Cost of raising funds £	Children's Centre Services £	Chumleigh Nursery £	Cambridge House Nursery £	Lorrimore Nursery £	Governance costs £	Support costs £	2023 Total £
Staff costs (Note 5)	–	389,072	620,850	525,811	483,890	–	341,336	2,360,959
Other staff costs	–	3,391	30,027	94,453	36,065	–	23,391	187,327
Direct costs	–	9,464	46,740	32,103	23,813	–	7,650	119,770
Premises costs	–	2,615	28,801	46,642	44,759	–	16,217	139,034
Rental equipment	–	2,444	2,017	985	829	–	2,947	9,222
Utilities	–	3,829	46,971	5,107	22,381	–	56,416	134,704
Office costs	–	4,783	10,455	9,147	16,152	936	62,185	103,658
Legal and professional fees	5,400	984	1,710	23,113	3,989	12,300	21,680	69,176
Promotion	–	–	117	117	117	–	6,680	7,031
Depreciation	–	4,229	11,167	3,651	859	–	9,548	29,454
Bad debt	–	66	221	–	–	–	(2,712)	(2,425)
	5,400	420,877	799,076	741,129	632,854	13,236	545,338	3,157,910
Support costs	10,907	81,801	147,241	174,508	130,881	–	(545,338)	–
Governance costs	662	1,456	3,706	3,706	3,706	(13,236)	–	–
Total expenditure 2023	16,969	504,134	950,023	919,343	767,441	–	–	3,157,910

Notes to the financial statements

For the year ended 31 March 2024

4 Net expenditure for the year

This is stated after charging:

	2024 £	2023 £
Depreciation	40,016	29,454
Operating lease rentals:		
Property	155,768	108,815
Other	8,345	9,222
Auditor's remuneration (excluding VAT):		
Audit	10,950	10,250
Other services	3,375	2,150
	<u>40,016</u>	<u>29,454</u>

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024 £	2023 £
Salaries and wages	2,341,836	2,136,640
Social security costs	185,290	161,503
Employer's contribution to defined contribution pension schemes	72,577	62,816
	<u>2,599,703</u>	<u>2,360,959</u>

One employee earned between £60,000 ad £69,999 during the year (2023: 1). No other employees earned over £60,000 in the year.

The total employee benefits including pension contributions of the key management personnel were £520,336 (2023: £518,308).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

There were £137 of trustee expenses representing the payment or reimbursement of travel and subsistence costs (2023: £nil).

Pay ratio: The remuneration ratio for 1st Place is considered alongside external market conditions for the specific roles. The ratio of our highest salary (£69,776) to our lowest salary (£20,236) was 3.4 in 2024 (2023: 3.6).

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2024 No.	2023 No.
Raising funds	–	–
Children's Centre Services	13.6	17.4
Chumleigh Nursery	43.5	35.7
Cambridge House Nursery/ The Elephant Nursery	36.4	44.2
Lorrimore Nursery	40.6	33.2
Support	14.3	14.8
Governance	–	–
	<u>148.3</u>	<u>145.3</u>

Notes to the financial statements

For the year ended 31 March 2024

7 Related party transactions

There are no related party transactions to disclose for 2024 (2023: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

	Office Equipment £	Computer Equipment £	Fixtures and Fittings £	Computer Software £	Total £
Cost or valuation					
At the start of the year	23,610	55,300	195,176	10,393	284,479
Additions in year	4,677	20,488	22,948	12,610	60,723
Disposals in year	(1,214)	–	–	(10,393)	(11,607)
At the end of the year	27,073	75,788	218,124	12,610	333,595
Depreciation					
At the start of the year	13,514	27,297	176,508	10,393	227,712
Charge for the year	3,276	20,157	14,153	2,430	40,016
Eliminated on disposal	(1,214)	–	–	(10,393)	(11,607)
At the end of the year	15,576	47,454	190,661	2,430	256,121
Net book value					
At the end of the year	11,497	28,334	27,463	10,180	77,474
At the start of the year	10,096	28,003	18,668	–	56,767

All of the above assets are used for charitable purposes.

10 Debtors

	2024 £	2023 £
Trade debtors	91,024	2,243
Prepayments	48,057	38,567
Other debtors	14,292	7,677
	153,373	48,487

Notes to the financial statements

For the year ended 31 March 2024

11 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	39,284	44,110
Taxation and social security	43,723	33,182
Other creditors	165,159	139,479
Accruals	57,822	23,826
Deferred income (note 12)	144,699	81,695
	450,687	322,292

12 Deferred income

Deferred income comprises of nursery fees and Children's Centre income received in the year which relates to the subsequent financial year.

	2024 £	2023 £
Balance at the beginning of the year	81,695	60,050
Amount released to income in the year	(81,695)	(60,050)
Amount deferred in the year	144,699	81,695
Balance at the end of the year	144,699	81,695

13a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	76,489	–	985	77,474
Net current assets	619,770	46,156	76,279	742,205
Net assets at 31 March 2024	696,259	46,156	77,264	819,679

13b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	50,823	–	5,944	56,767
Net current assets	947,667	50,440	104,447	1,102,554
Net assets at 1 April 2023	998,490	50,440	110,391	1,159,321

Notes to the financial statements

For the year ended 31 March 2024

14a Movements in funds (current year)

	At 1 April 2023 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2024 £
Restricted funds:					
Special Education Needs	–	4,048	(69,970)	65,922	–
Family Support: Children's Centre	93,931	442,075	(489,144)	–	46,862
EYPP	10,567	2,583	–	–	13,150
Alexandra Rose Charity Grant	5,893	55,108	(43,749)	–	17,252
Total restricted funds	110,391	503,814	(602,863)	65,922	77,264
Unrestricted funds:					
Designated funds:					
Family Support Fund	943	–	–	–	943
Nursery Support Fund	49,497	–	(4,284)	–	45,213
Total designated funds	50,440	–	(4,284)	–	46,156
General funds	998,490	2,686,670	(2,922,979)	(65,922)	696,259
Total unrestricted funds	1,048,930	2,686,670	(2,927,263)	(65,922)	742,415
Total funds	1,159,321	3,190,484	(3,530,126)	–	819,679

14b Movements in funds (prior year)

	At 1 April 2022 £	Income and gains £	Expenditure and losses £	Transfers £	At 1 April 2023 £
Restricted funds:					
Special Education Needs	3,423	14,588	(62,737)	44,726	–
Family Support: Children's Centre	136,149	420,464	(462,682)	–	93,931
EYPP	7,977	2,590	–	–	10,567
Alexandra Rose Charity Grant	17,341	46,810	(41,395)	(16,863)	5,893
Erasmus EU funding	26,995	3,073	(22,996)	(7,072)	–
Total restricted funds	191,885	487,525	(589,810)	20,791	110,391
Unrestricted funds:					
Designated funds:					
Family Support Fund	1,000	–	(57)	–	943
Nursery Support Fund	55,067	–	(5,570)	–	49,497
Total designated funds	56,067	–	(5,627)	–	50,440
General funds	986,877	2,594,877	(2,562,473)	(20,791)	998,490
Total unrestricted funds	1,042,944	2,594,877	(2,568,100)	(20,791)	1,048,930
Total funds	1,234,829	3,082,402	(3,157,910)	–	1,159,321

14 Movements in funds (continued)

Purposes of restricted funds

Special Educational Needs

These funds are used to provide additional support for children in the Nursery with special education needs. The deficit in the year is funded from general reserves representing part of 1st Place's charitable giving.

Family Support

The Family Support fund represents funds from the London Borough of Southwark to help run Family Support and Training services at 1st Place Children and Parents' Centre.

EYPP

These are funds received for the Early Years Pupil Premium (EYPP) to support disadvantaged children in the Nursery.

Alexandra Rose Grant

For distribution of Alexandra Rose Charity Fruit & Veg vouchers during the next year to local families in need. The transfer of costs from the Alexandra Rose Charity restricted reserve to general funds represents the costs for the administrative support needed to manage the Rose Voucher Project, plus the associated costs thereof.

Erasmus EU Funding

These funds are for educational visits to participating EU countries to aid development of future leaders and leadership skills among existing staff. Due to the Tory Party's decision to implement a hard Brexit, further participation in this excellent programme is no longer possible. It has been agreed that the surplus from this programme can be used to fund 1st Place's general charitable works.

Purposes of designated funds

The **Family Support Fund** is there to support families who encounter short term crises and do not have the available funds to address a short term need for example support to move home when being re-housed at short notice, or a family with no recourse to public funds whose main source of income is lost due to short term illness or hospitalisation.

The **Nursery Support Fund** has been created to support nursery families whose circumstances have changed, creating short-term financial pressure affecting their ability to maintain their child's attendance at a 1st Place nursery, or that family income in the short term will not cover the amount of hours their child needs to attend in order for parents/carers to work or study.

Notes to the financial statements

For the year ended 31 March 2024

15 Reconciliation of net income to net cash flow from operating activities

	2024 £	2023 £
Net (expenditure) for the reporting period (as per the statement of financial activities)	(339,642)	(75,508)
Depreciation charges	40,016	29,454
Dividends, interest and rent from investments	(35,845)	(3,241)
(Increase)/ Decrease in debtors	(104,886)	4,746
Increase/ (Decrease) in creditors	128,395	(15,692)
Net cash (used in) operating activities	(311,962)	(60,241)

16 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2024 £	2023 £
Less than one year	136,000	36,819
One to five years	205,750	64,000
Over five years	42,667	42,667
	384,417	143,486

17 Post balance sheet events

It has now been agreed with St Paul's Church, Lorrimore Square that we will terminate our license to rent rooms for a nursery there. We are transferring the children who attend Lorrimore Nursery, in the main, to our Elephant & Castle site at Hampton Street with the agreement of parents.

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

1ST PLACE CHILDREN AND PARENTS' CENTRE LTD

England & Wales - Charity number 1120124

Accounts

Company number: 05424738

Charity number: 1120124

1st Place Children and Parents' Centre Ltd.

Report and financial statements

For the year ended 31 March 2023

Contents

For the year ended 31 March 2023

Reference and administrative information	1
Chair of Trustees' report	2
Trustees' annual report	3
Independent auditor's report	17
Statement of financial activities (incorporating an income and expenditure account)	21
Balance sheet	22
Statement of cash flows	23
Notes to the financial statements	24

1st Place Children and Parents' Centre Ltd.

Reference and administrative information

For the year ended 31 March 2023

Company number 05424738

Country of incorporation United Kingdom

Charity number 1120124

Country of registration England & Wales

Registered office and operational address 12 Chumleigh Street
LONDON
SE5 0RN

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Karen Walker Chair
Philip Wilkins Treasurer
Ben Asmah
Heba Ayoub
Symon Bacon
Alan Dallas
Ruth Francis
Lucy Grove
Nigel Lloyd – End of term – January 2023
Darren Mason – resigned January 2023
Heather Munn
Wenli Tsai
Lornette Pemberton
Georgia Papacleovoulou – Appointed January 2023
Kate Newman – Appointed January 2023
Diederik Wintershoven – Appointed January 2023
Alice Little – Appointed January 2023
Sue Tuttlebury – Appointed January 2023

Key management personnel Nicola Howard Director and Company Secretary

Bankers Barclays
1–3 Butterfly Walk
Camberwell
London, SE5 8RW

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108–114 Golden Lane
LONDON, EC1Y 0TL

Chair of the Trustees' report

For the year ended 31 March 2023

Chair's Report

I am pleased to share with you the latest Annual report and audited accounts of 1st Place Children and Parent centre.

We have had another eventful and fulfilling year and I hope the report on the following pages will afford you a brief glimpse into the life of this very busy Children's & Family Centre and Nurseries.

The year began with an exciting trip in April 2022 to Italy as part of the final funding from the Erasmus study and how wonderful it was to hear about staff's experience of visiting and experiencing different approaches to early years care and education in a different country. It highlighted once again the commitment 1st Place has towards the staff team in enabling them to gain new experiences and to enjoy continuous professional development.

As our centres look to our staff and senior team to provide guidance and opportunities for continued learning for young children, so too does our wonderful Director Nicola Howard, look to supporting the staff team. I want to express the eternal gratitude of the board of Trustees to Nicki and to recognise here the dedicated and skilled way she leads her team. It is a testament to that leadership that this year we said farewell to our Manager at Chumleigh Gardens, Bunmi Adams, who had joined the team at 1st Place way back at the very beginning of the Children and Family Centre's journey. Having completed 17 years as Early Education Manager, the team gave Bunmi a lovely send off and we know that she is heading into new ventures.

Our work within the children and family centre continues to have many challenges, not least trying to support refugee families and you can read about this further into the report. The need for this ongoing important work is vital and the increasing cost of living makes it very difficult to ensure as many people are being offered the support they need. I, along with the Trustees, are so grateful for the continued hard work undertaken by Elena and her team, who never seem daunted by the task in hand and simply do their best every day.

The cost-of-living crisis has been a difficult one for the team to manage and once again we are delighted that the Rose Voucher scheme has been continued and is being used to great effect. Our volunteers do a fantastic job to ensure people register for them as they can be a real lifeline to help people afford fresh fruit and vegetables. Thank you to Ariela our Project Lead and all those amazing volunteers.

Thanks to our brilliant Treasurer and the dedicated work of the senior team 1st Place was able to offer support to all staff by helping with an extra payment during the cost-of-living crisis, details are contained within this report.

Finally, I want to mention, the very big changes that have happened at Cambridge House. It is with great sadness that we have to move out of the building after so many years of providing good to outstanding care and education to young children. I am afraid none of the efforts we made to try to remain in the building worked and we are now looking forward to our new space at the Elephant and Castle and will be reporting on its myriad successes I am very sure by this time next year. The Trustees and I send our very best wishes to the nursery team who managed the move in June 2023 so well and wish them every success.

My grateful thanks to all the contributors who make 1st Place such a wonderful place to be for children.

"People will forget what you said, people will forget what you did, but people will never forget how you made them feel." (Maya Angelou)

Best wishes, Karen Walker

Trustees' annual report

For the year ended 31 March 2023

The Trustees (who act as directors of the Charity for the purposes of the Companies Act) submit their annual report and the financial statements of 1st Place Children and Parents' Centre for the year ended 31 March 2023.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a director's report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure that the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

1st Place is comprised of a purpose-built Children and Parents' Centre, with a number of additional sites providing early education and family support. It achieved charitable status in 2007 and has worked with the following aims:

1st Place shall be for the benefit of the residents in the London Borough of Southwark in particular families with young children, by:

- 1 Advancing the education of the residents through the provision of training and childcare facilities;
- 2 The provision of advice, support and guidance on issues relating to childcare, parenting, education, health and the environment;
- 3 The provision and maintenance of a family centre;
- 4 Encouraging the study of the needs of children and families in the (local area) and promoting public interest in and recognition of these needs; and
- 5 The promotion of environmental education and awareness.

How we work to achieve these objectives

1st Place achieves these objectives through the provision of;

- Innovative, high quality early learning experiences for young children;
- Training, volunteering and employment opportunities for local parents and other residents;
- Support for the regeneration of the local community in order to contribute to long-term social and economic stability.

1st Place Children and Parents' Centre also aims to nurture a community culture that celebrates diversity; a culture that models respect and support for young children and families as well as caring for the environment. 1st Place aims to support the ongoing growth and development of individuals and groups within the local community.

Our Aims

Since our inception in 2005, the aims of 1st Place have focused on the locally identified needs of children and families. 1st Place objectives also support Southwark Children & Adult Services to deliver services and support within the Families Matter agenda and the achievement of the corporate priorities for Southwark's Children and Families' Trust's Children & Young People's Plan.

The Board of Trustees, the Director and senior managers have continued to develop the strategic direction of 1st Place and to action priority areas identified at the start of the year.

Our areas of focus are:

- 1st Place at the Heart of the Community.
- Excellence in All We Do.
- High Performing Teams.
- Financial Sustainability.

Our partners during 2022–2023

- Bede House
- Homestart Southwark
- National Children's Bureau
- Friends of Burgess Park
- Learning Unlimited
- Community Southwark
- Solace Women's Aid
- Ripe Learning
- GSTT Midwifery
- GSTT Speech & Language Therapy
- Evelina London Community Nutritionists
- Evelina London Health Visitors
- South London & Maudsley Parental Mental Health Service
- St Paul's Church Lorrimore Square
- Pembroke House
- St George the Martyr
- Spring Community Hub
- Coin Street
- The Alexandra Rose Charity
- Impact on Urban Health

Achievements and Performance

General

As 1st Place completes its 18th year, we plan to review our organisational Vision & Values over the next year, to ensure that they are in line with the needs of our community and service users. This will include input from all our stakeholders – families, partners agencies, staff, and Trustees.

We began the year with a focus on re-establishing community and nursery services to their pre-COVID levels. By April 2022 we were able to welcome parents of nursery children back into the buildings – a full two years since they were paused due to the pandemic. Targeted services provided by partner organisations also regained the levels of attendance by the autumn.

The changes to the ownership at Cambridge House were a particular focus during the latter part of the year, as lines of communication not clear, there were difficulties establishing if we would be able to continue providing a service from this site. By February 2023 it became clear that a new home for this nursery was needed. While this period of uncertainty was difficult particularly for families and staff using this site, the support and commitment of all involved – across all our nurseries, the community and Trustees, enabled us to make the best of a difficult situation and achieve a positive result – a new site in Elephant and Castle.

As we enter the final year of our Children & Family Centre commissioning cycle, we began to consider how our area of benefit might change, and how we would fund services to support the families within it. 1st Place began as a charity supporting families with children under five in a specific geographic area, but as the requirements of our commissioned contract changed, our reach area became less specific. With the emergence of Family Hubs in the borough, the reach of our community services may be more clearly defined by the post March 2024 commissioning cycle.

1st Place at the Heart of the Community

Early Education

The senior managers worked to further develop SEND (Special Educational Needs and Disabilities) capacity across our sites with the appointment of a full time Special Educational Needs co-ordinator.

During the year we supported 44 children across three sites, with 14 receiving input from the Southwark SENDIF team. 5 children secured Education and Health Plans in readiness for having additional support when they started school. Speech, language and communication needs were identified for most of these children, or they were multi-language learners. 16 left for school with a need identified and a plan for support in place.

We welcomed the Southwark Hearing support service to the centre in September 2022, who run a monthly session for families of children who are hearing impaired. Led by a teacher of the deaf, the sessions are also attended by technicians who offer a CYPAC mould clinic.

In Spring 2023, Southwark secured funding to support families of children with Special Educational Needs and Disabilities through a 'Short Breaks' initiative. This offers play learning sessions and holiday clubs for children and young adults 0–25. It also aims to offer 'short breaks' for parents while their children are attending. 1st Place is

Trustees' annual report

For the year ended 31 March 2023

hosting a monthly Saturday session for children 0–8, in addition to our weekly weekday session for children under 5.

Places in our nurseries continue to be popular, with word of mouth being the most reliable form of publicity. New families also find us when accessing wider services delivered through the Southwark Children & Family Centre programme. They are also attracted by our purpose-built flagship building in Burgess Park, as well as the Reggio inspired approach provided across all our sites. This year 218 children attended our full day care.

Senior Managers and Trustees focus on the accessibility of the nursery to all in our community. This year there were 71 children attending our nurseries whose places were funded through the Free Early Education Offer and Free early Education Entitlement, at no cost to their families. While affordability of early years education remains a significant issue for parents, providers and the government, we remain committed to fees that are in line with similar providers, and in 2022–23 they were increased below the level of inflation.

We built on the experiences through the Erasmus+ programme in 2019 with further study visits to Italy and Poland in in Spring 2022, We visited a number of state schools and nurseries in both countries, where the team continued to look at how early educators enable small children to take part in adventurous play, learn how to manage risk and develop their abilities to assess and manage this in their play. We also explored parental attitudes and perceived risk in adventurous play. This has resulted in a research project with the University of Greenwich involving families across all nursery sites.

We were invited by the Tate Modern to take part in their Obliteration Room project linked to the Yayoi Kusama exhibition. Children from all nursery sites visited the Tate Modern in July and August 2022. The *Obliteration Room* began as a white space which our nursery children, and later visitors to the Tate were invited to cover with stickers. Over the course of a few weeks the room was transformed from a blank canvas into an explosion of colour, with thousands of spots stuck over every available surface.

Supporting our Families through Children and Family Centre Services

We learned early in 2022 that the funding for the provision of community services through the Children and Family Centre programme had been extended to March 2024. While the retaining this funding means we can continue to support families in greatest need, the increased delivery costs over the last two years highlights the fact that the funding allocation has not increased since 2016. So as a result we are focussing on fundraising, particularly for service such as interpreting.

We retained a range of universal and targeted sessions for families with children under five years of age. A total of 720 children were registered with the Children & Family Centre between April 2022–March 2023, exceeding our annual target.

We have continued to develop our parent development offer, through training and advice services. Our partnership with Ripe Learning offers access for those who do not have English as a first language to classes to support their spoken and written English, improving access for those parents with younger children as is supported by a creche. The Community Family Workers offer a weekly advice session for parents, signposting to targeted services or referring on for one to one support. With our development as a Family Hub, we hope we will be able to offer further adult learning opportunities.

Our links with Southwark Parenting team has been further embedded with the Fathers Group in its fourth year at 1st Place. Supporting dads, granddads and male carers with parenting, role modelling and improving relationships with children, 60 men graduated from the course this year. Other courses which supported families on their parenting journey such as Empowering Parents, Empowering Communities were also well attended, with 38 parents completing the course.

We are now in the fourth year of our partnership with the Alexandra Rose charity, as the lead agency in Southwark for The Rose Vouchers for Fruit and Veg project. This project helps to address the issues of unhealthy weight and food insecurity in the borough through distribution of vouchers to purchase fresh fruit and vegetables from local street markets and community pantries. We now have nine distribution Hubs, within Children's Centres and community hubs. This year we distributed 294,444 vouchers to 1139 registered families. This project has been made possible by the vital contribution of our volunteers, supported by our Project Lead for Southwark. We are happy that the funding has been confirmed for a further three years.

The work of our Community Family workers has continued to grow in complexity, with many of the families we support having fled the change in regime in Afghanistan, the war in Ukraine, as well as escaping conflict and persecution across the globe. These families are accommodated in or quality temporary accommodation, or hotels for longer periods of time than in the past. This has made it difficult to conduct assessments and welfare visits, as the premises do not provide social space where we can meet with them. We have also seen an increase in young parents and parents to be arriving from outside the country, and enabling access to appropriate support and accommodation has been challenging. Over the last 18 months the Early Years Practitioners in the Family Services team have also begun to work one to one with families as they step down from support from Community Family Workers. The team maintain contact with families and support and encourage their attendance at universal services and courses. The Family Services team received 63 allocations for one-to-one support from family early help, with the Community Family Workers carrying an average caseload of 10 families each, and Early Years Practitioners supporting an average of 5 families each term, in addition to delivery of universal services.

Ensuring that families know about our services is crucial part of our work. However, as the support needed by many families in our community becoming more complex, the capacity to conduct face to face outreach has become increasingly difficult. A focus for the coming year will be to create new capacity for outreach and parent development for which we are actively fundraising.

Our longstanding partner Bede House delivered two further cycles of the Freedom programme at 1st Place, which has supported over 30 survivors of domestic abuse this year. It is a nationally recognised programme and Bede are the only IDVA led Freedom group in Southwark. Being led by qualified independent domestic abuse workers allows them to give those who attend a more in-depth knowledge about domestic abuse, and they ensure each person who attends has tailor-made support. We also welcomed a new service delivered by Bede providing children who are survivors of domestic abuse with counselling and art therapy.

In late 2022, Southwark were awarded funding to take forward the Family Hub programme in the borough, and that services currently commissioned as Children & Family Centres would become Family Hubs beyond March 2024. As of June 2023, 1st Place has been chosen to lead the first Family Hub in Southwark, fulfilling our strategic aim to be part of this initiative. This will broaden the focus of our services and partnerships to include children and young people over five.

We have been active participants in networks which support our wider community and enable us to increase our professional networks. These include The Walworth Group, Southwark Food Action Alliance (SFAA), Community

Southwark, Parents and Communities Together (PACT) amongst others. We anticipate that the development of the Family Hub will further widen this network as we work more closely with services for older children and their families.

High Performing Teams

Without a committed staff team, it is impossible to achieve the strategic aims of the charity and deliver the vital support and early education provided by 1st Place. We remain focussed on making 1st Place the best place to work. The current economic crisis has created pressures for everyone on our community, and Trustees and SMT devoted considerable time in ensuring our nursery fees remained as affordable as possible while enabling our salaries to reflect the cost of living. As living costs continued to increase above the level at the point our budget was set, two further one-off cost of living payments were made, which aimed to support staff through the winter months as energy costs rocketed. Salaries are regularly benchmarked using external software, as well as monitoring the local jobs market.

Following the introduction of Death in Service benefit in 2021–22, we were then able to offer the SmartHealth GP app, which has improved access to GP consultations for a team who can often find it difficult to make a face-to-face appointment with their GP.

Our focus on recruitment and retention of the best team is closely linked with a commitment to a clear process for training and development. 1st Place work closely with accredited training providers, who facilitate access to NVQ courses for our Early Education staff. This year 6 staff are enrolled on L3 Early Education training and two further staff are undertaking L3 and L4 qualifications with the support of 1st Place.

Difficulties in recruiting staff to our nursery team continued to be a challenge this year. This has been a sector-wide problem. HT staff and Trustees worked together to review our recruitment processes, streamlining them so that we are able to interview quickly while remaining focussed on safer recruitment processes. We also introduced a bonus scheme for staff who introduce potential candidates who then go on to become employed at a 1st Place nursery. We have recruited 10 staff so far through this initiative. In addition to this we held regular recruitment days, and attended similar events organised by universities.

Equity, Diversity and Inclusion (EDI) continues to be a focus for Trustees and the senior leadership team and is influences all areas of our work. Ensuring our staff team and service uptake in our nurseries and Family Services is representative of families within our community, particularly from minoritised groups is a priority. This is monitored through a council and 1st Place data collection systems and reviewed by Trustees and commissioners on a quarterly basis.

Having a staff team – at all levels – who reflect the diversity of the area in which we are based plays a huge part in attracting families to our services, as well as applications to work at 1st Place. This in turn as contributes significantly to the culture and enrichment of 1st Place.

The EDI staff representatives now lead inductions for new staff, and this has helped support the confidence of colleagues at all levels to speak about issues relating to equity, diversity and inclusion and raise concerns and successes as they arise.

Trustees' annual report

For the year ended 31 March 2023

We continued our monthly staff forums, which are open to all in the team, and provide a space to explore personal and professional experiences relating to race, faith, gender and age, with conversations often sparked by local and national current affairs.

Serious Incident Reporting

GDPR (General Data Protection Regulation) breach

A data breach was discovered on 20 May 2022 at Chumleigh Gardens and reported to the Information Commissioner on 23 May 2022.

Following a review of the evidence provided the ICO (Information Commissioners Office) (Information Commissioner s Office) wrote on 14.06 that no action would be taken by ICO, the case was closed.

There was a joint investigation with Alexandra Rose Charity due to the loss a number of Rose vouchers. As the loss was not material no further action was required.

1st Place was involved in a legal dispute with Cornerstone Studios in January 2023 relating to completion of an interim lease. Their actions resulted in a period of one day while services at the building were interrupted, for which 1st Place was compensated for reputational damage and loss of income. We took the decision not to report this as an incident to the Charity Commission because the operational matter was resolved quickly and services to families returned to normal by the next working day.

Safeguarding Duties

As an organisation 1st Place acknowledge and act on our duty of care to staff and service users. Trustees recognise that being safe and free of abuse is central to ensuring the continued promotion of a person's wellbeing. 1st Place has policies and procedures in place to enable us to respond to all concerns of abuse appropriately, operating in line with the Southwark Safeguarding Children's Partnership Board guidance and Pan London Multi-Agency Safeguarding Policy. Our policies and procedures for children and adults at risk are reviewed annually. Our trustee safeguarding lead is Alan Dallas for 2022-23.

All Trustees are required to undertake Safeguarding for Trustees training. The Director is the Named Person, supported by eight Designated Safeguarding leads. All staff have Safeguarding Children training on appointment and every two years, appropriate to their level of responsibility. Senior Managers undertake Safer recruitment training every three years.

Trustees confirm that Internal processes concerning the conduct of members of the 1st Place team show there were no allegations made against a trustee, an employee, an intern, or a volunteer by a service user during 2022-23. There was one complaint raised to Ofsted in relation to care of a child in one of our nurseries, which were was not upheld with no further action.

Financial Sustainability

We ended the last financial year in negotiations with a new landlord to replace our nursery site at Cambridge House, now known as Cornerstone Studios. It was unfortunate that we were unable to be part of the plans of the new owners, but it became clear that the change of usage of the building from a community asset to commercial venture, a day nursery did not fit well with the type of businesses the company was targeting.

With the process now complete, 1st Place has secured a 12-year lease on a purpose-built nursery premises which will increase the number of places offered across 1st Place nurseries by 32. Although the move from Cornerstone Studios at end of July has been somewhat protracted, the team is working hard to ensure the transition for children is as smooth as possible, and occupancy levels are maintained. We thank the parents and staff on all our sites for the support and encouragement during a period of uncertainty and change.

Although we had concerns that the economic downturn and the disruption to our service delivery at Cambridge House would affect occupancy levels, they exceeded our 96% target. Between April 2022 and March 2023 349 attended a 1st Place nursery. Demand for additional days in nursery remains high, with families increasing days as they become eligible for funded 15 and 30 hours. However, this impacts on the number of new families we are able to offer places to, but we hope the increased capacity at the new Elephant and Castle nursery, this will alleviate this.

Despite the challenging economic climate reserves remained above the expected three months operating costs at £998k. With the increased cost of living, Trustees approved two energy crisis support bonuses in October 22 and January 23 in order to provide a buffer for staff through a period of financial volatility.

In early 2023, Trustees moved forward with plans to generate income from reserves. The decision was taken to seek external professional advice relating to entering the investment market, when it begins to stabilise. However, reserves are now placed in a number of bank accounts using a Charities Aid Foundation platform, which both protects our reserves by use of the Financial Services Compensation Scheme but will also generate c.£30k per annum through improved interest rates than those offered by our operational bank account.

With the increase in use of our buildings as we prepare to be the first Family Hub in Southwark, ensuring that we offer the best environment for staff, partners and those who use our services is a priority. The facilities team have established a rolling programme of maintenance as well as planning improvements such as the re-fit of our community kitchen and upgrading outside space for children.

Principal funding

The continuing growth and success of 1st Place this year has been facilitated by consistent funding and we would particularly like to acknowledge Southwark Children and Adult Services for the allocation of Children and Family Centre funding, the Free Early Education Entitlement and Free Early Education Offer. As ever, the continued commitment of local parents to our nursery, and of local services and groups for our room hire, is crucial to the continuation of our services.

Investment policy and performance

1st Place day to day banking arrangements are held with Barclays Bank. Funds are held between a deposit account and a current account.

Since Year End we have moved £1,020K from the Barclays Deposit Account into a number of Bank Deposit Accounts under the umbrella of CAF (Charities Aid Foundation) Bank. No single deposit exceeds the FSCS Guarantee of £85K. We expect these deposits to yield in excess of 4.0% cash income.

Financial Review

Paramount to a strong charitable enterprise is sound business practice ensuring strong reserves capacity. Whilst the impact of Covid restrictions had receded, a new and in some ways more challenging issue arose, high inflation. Recruiting and retaining staff was even more difficult in an employment environment when many different types of businesses were chasing the same staff. Whilst on the other hand, rising costs in every area of their expenditure impaired the ability of our parents to afford childcare.

Having commenced the year with what we thought would be an above inflation pay award of 6% to our staff, it quickly became evident that their real cost of living was increasing at a much faster rate, e.g. food inflation above 15%.

We decided that the correct course of action was to utilise a small percentage of our substantial Reserves to reward the loyalty of our staff by paying two exceptional Cost of Living lump sums totalling a further 6%

We started the year with Restricted Reserves of £192K and we were able to continue to offer a high level of Services to the community by using up some of that surplus. We ended the year with the reduced balance of £110K

Thanks to the continuing commitment, loyalty and expertise of our team, we ended the year with increased General Reserves of £998K. This enabled us to make a substantial Pay Increase across our staff, weighted towards the lower paid and totalling 10% of payroll.

By the Year End it was decided that we would have to vacate the Cambridge House facility. However, at that time we were in negotiations to take a long lease on a larger nursery at The Elephant & Castle. This will more than replace the lost capacity as it comes on stream during the current financial year

As a result of the above, our General and Designated Reserves increased in the year by £6K to £1,049K which represents 4.9 months cover of related expenses.

Our Restricted Reserves reduced by £(82)K to £110k. Overall, our Reserves represent 4.4 months cover of expenses. We consider this to be a satisfactory level of reserves.

Reserves Policy

The 1st Place Reserves Policy is to maintain total free reserves, excluding the element which relates to tangible fixed assets, at a level which is no less than approximately three month's operating costs. This policy provides

the ability to cope with unforeseen expenditure of both a capital and an expenditure nature, and with interruptions in income flows. 1st Place has focussed on building adequate reserves over the last eleven years, while within the sector there had been a shift towards risk-based reserves policies. However, no one could have foreseen the impact of a global pandemic on both commercial as well as not for profit sectors, and never has the need to maintain adequate reserves been more apparent.

The Reserves Policy is reviewed and amended annually by the Board of Trustees.

Free reserves at 31 March 2023 were £942k, an increase of £6k on 31 March 2022. This is equal to 3.6 months of total expenditure and so well above the minimum recommended level of 3 months.

Fundraising

1st Place Children and Parents' Centre Ltd does not engage in large scale public fundraising and does not use professional fundraisers or commercial participators. Nevertheless, the charity observes and complies with the relevant fundraising regulations and codes. During the year, there was no non-compliance of these regulations and codes and the Centre received no complaints relating to its fundraising practice.

Plans for the future

Over the next year, working within our 2021–2024 Strategic Plan we will:

- Establish our new nursery site at Elephant & Castle, maximising the additional capacity it affords.
- Continue our commitment to 1st Place being an organisation where equity, inclusion and opportunity is a reality for everyone.
- Develop as a Family Hub to include Adult Learning and new community partnerships to compliment education and community support offer.
- Further develop target setting and mechanisms for measuring recruitment and for staff retention
- Goal to offer all salaries above London Living Wage
- Continue to develop fundraising capacity
- Further development of Green credentials

Structure, governance and management

1st Place Children and Parents' Centre is a registered charity and company limited by guarantee with no share capital. The liability of Trustees in the event of insolvent liquidation is limited to £1 each. The members of the Board of Trustees are appointed by members of the Board. Day-to-day management of the Charity is delegated to the Director who is responsible for other staff. The Board of Trustees meet regularly, with five sub-committees (Early Education, Finance & General Purposes, Human Resources Community Services and Safeguarding) overseeing the operational activities of the organisation.

The Full Board meets quarterly to approve the business undertaken in the sub-committees. Additional working groups convene as and when required. Trustees are given appropriate induction, upon appointment, and ongoing training as required to assist them in fulfilling their role. The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its

articles of association. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 5 of the accounts.

Remuneration Policy

We recognise the importance of being transparent and accountable in all aspects of our work, including how we reward and recognise our staff. We are working towards paying the London Living Wage (or becoming an accredited Living Wage Employer). The London Living Wage is an hourly rate set independently and updated annually, based on the cost of living in London. 1st Place 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. In deciding on levels of pay, the following factors are taken into account:

- 1 The mission, aims, objectives and values of 1st Place.
- 2 How any decisions might impact on the overall pay policy for all staff.
- 3 The type of skills, experience, competences etc. that our organisation needs.
- 4 A significant increase in responsibilities for a member of staff, or major change in job description.
- 5 Our current strategic business plan and how this might affect future needs.
- 6 Our ability to pay. It is our aspiration to pay a cost of living increase each year to all staff.
- 7 Regular benchmarking of salaries relative to pay levels in other charities in the sector of equivalent size, budgets and responsibilities, using independent external information.
- 8 Our track record in recruiting and retaining high-performing staff.
- 9 The impact of any decision on our public reputation, especially amongst our service users and stakeholders.

Performance Management

We have a performance management and appraisal policy that:

- Promotes a consistent approach to workforce supervision throughout 1st Place.
- Ensures that supervision is geared to achieving the organisation's objectives.
- Addresses the personal impact of work on all 1st Place's staff, volunteers, interns and trainees.

Risk Assessment

The Board of Trustees regularly review and assess the risks faced by 1st Place in all areas of its work, and plan for the management of those risks. The management ensure that all plans and decisions consider the possibility of negative outcomes. There is a Risk Register which is compiled and monitored quarterly by the Finance & General Purposes (F&GP) sub-committee, reported on quarterly at meetings of the Full Board and reviewed annually to ensure that the material risks to which the charity is exposed are evaluated and managed. The Director and senior management team implement appropriate mitigating actions to address the residual risks, mitigating them to a level the Trustees consider acceptable. The Board of Trustees recognises that, to achieve the objectives of the charity, the nature of some of 1st Place work requires acceptance of some risks that are outside our control, that is, risks which cannot be eliminated, so where this happens there is active and clear monitoring of the risk. The Facilities Manager will carry out a Health & Safety risk assessment when any risk is identified. The

Risk Register working group reporting to F&GP sub-committee are working with the senior management to solidify the appropriate systems and controls to monitor, manage and mitigate exposure to risks. Principle risks and uncertainties are assessed for impact and likelihood.

Principal risks and uncertainties

The highest risk areas have been identified as follows:

- Failure to generate sufficient income
 - The volatile global and national economic situation and additional local stresses created by changes to one of our premises and the proposed changes to the commissioning and delivery of Children & Family Centre services have all had an impact across our identified risks
- We have taken steps to protect our reserves and mitigate the chance of default risk by ensuring that funds held at any one financial institution fall within the FSCS bank protection limit.
 - Increased running costs will impact our ability to generate a surplus and may reduce our free reserves.
 - Regular monitoring of occupancy using latest nursery management software so that trends can be identified, and forward planning termly is effective so that waiting lists can be maintained.
- Failure to effectively manage budget and liquidity.
 - Close monitoring monthly and quarterly of income and expenditure at an operational and strategic level by managers and Trustees.
 - Budgets reviewed by Treasurer, Director and Finance Manager to ensure they are realistic and achievable, with reforecasting as necessary.
- Recruitment and retention of early education staff. Changes to senior leadership team and succession planning
 - Recruitment across the sector remains very challenging, but we have taken steps to mitigate this by innovating, including the introduction of a recruitment referral scheme and flexibility into the recruitment cycle. This has allowed the team to maximise recruitment opportunities across our range of vacancies, so that we are able to recognise talent beyond those applicable to the post.
- We have developed the strategies required to mitigate any outbreak of disease that might adversely affect 1st Place due to widespread infection.
- Ensuring that standards are maintained with Ofsted at Good or Outstanding
 - Continued investment in recruitment of well qualified staff and investment in ongoing CPD (Continuous Professional Development).
- Failure to maximise potential of new nursery site.
 - Financial modelling has enabled us to understand the changes to our income and maintenance of reserves over a two-year period.

Statement of responsibilities of the trustees

The Board of Trustees is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice. Company law requires the Trustees, who are also the charitable company's directors, to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable UK accounting standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements. Prepare the financial statements on a going concern basis (unless it is inappropriate to presume that the charity will continue in operation);
- and observe the methods and principles of the Charities SORP.

The Board of Trustees has overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping adequate accounting records, which disclose with reasonable accuracy, are sufficient to show and explain the charity's transactions and the financial position of the charity at any time and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities. Statement of disclosure of information to auditors.

Statement of disclosure of information to auditors

We, as the directors of the charitable company who held office at the date of approval of these financial statements as set out on page one, each confirm, so far as we are aware, that:

- There is no relevant audit information of which the charitable company's auditors are unaware.
- We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Preparation of this report

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 6 September 2023 and signed on their behalf by

Karen Walker
Chair

Opinion

We have audited the financial statements of 1st Place Children and Parents' Centre Ltd (the 'charitable company') for the year ended 31 March 2023 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 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
- 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 1st Place Children and Parents' Centre Ltd'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.

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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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.

To the members of

1st Place Children and Parents' Centre Ltd.

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 are set out below.

Capability of the audit in detecting irregularities

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

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - 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 related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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. This 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: 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Noelia Serrano (Senior statutory auditor)

Date: 06 October 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

1st Place Children and Parents' Centre Ltd.

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	General £	Designated £	Restricted £	2023 Total £	General £	Designated £	Restricted £	2022 Total £
Income from:									
Donations and legacies		2,589	–	3,073	5,662	21,101	–	28,190	49,291
Charitable activities									
Children's Centre Services	2a	4,440	–	467,274	471,714	5,514	–	455,812	461,326
Chumleigh Nursery	2a	978,214	–	6,623	984,837	934,799	–	11,026	945,825
Cambridge House Nursery	2a	929,608	–	2,591	932,199	872,440	–	3,024	875,464
Lorrimore Nursery	2a	676,481	–	7,964	684,445	613,968	–	5,109	619,077
Investments		3,241	–	–	3,241	362	–	–	362
Other		304	–	–	304	359	–	–	359
Total income		2,594,877	–	487,525	3,082,402	2,448,543	–	503,161	2,951,704
Expenditure on:									
Raising funds	3	16,969	–	–	16,969	15,868	–	–	15,868
Charitable activities									
Children's Centre Services	3	–	57	504,077	504,134	–	–	441,125	441,125
Chumleigh Nursery	3	911,375	3,440	35,208	950,023	841,480	–	13,165	854,645
Cambridge House Nursery	3	900,692	–	18,651	919,343	838,629	–	9,651	848,280
Lorrimore Nursery	3	733,437	2,130	31,874	767,441	652,698	–	19,710	672,408
Total expenditure		2,562,473	5,627	589,810	3,157,910	2,348,675	–	483,651	2,832,326
Net income/ (expenditure) for the year		32,404	(5,627)	(102,285)	(75,508)	99,868	–	19,510	119,378
Transfers between funds		(20,791)	–	20,791	–	(25,242)	29,996	(4,754)	–
Net movement in funds		11,613	(5,627)	(81,494)	(75,508)	74,626	29,996	14,756	119,378
Reconciliation of funds:									
Total funds brought forward		986,877	56,067	191,885	1,234,829	912,251	26,071	177,129	1,115,451
Total funds carried forward		998,490	50,440	110,391	1,159,321	986,877	56,067	191,885	1,234,829

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 13 to the financial statements.

1st Place Children and Parents' Centre Ltd.

Balance sheet

Company no. 05424738

As at 31 March 2023

	Note	£	2023 £	2022 £
Fixed assets:				
Tangible assets	9		56,767	57,495
			56,767	57,495
Current assets:				
Debtors	10	48,487	53,233	
Cash at bank and in hand		1,376,359	1,462,085	
		1,424,846	1,515,318	
Liabilities:				
Creditors: amounts falling due within one year	11	322,292	337,984	
Net current assets			1,102,554	1,177,334
Total net assets	12		1,159,321	1,234,829
The funds of the charity:	13			
Restricted income funds			110,391	191,885
Unrestricted income funds:				
Designated funds		50,440	56,067	
General funds		998,490	986,877	
Total unrestricted funds			1,048,930	1,042,944
Total charity funds			1,159,321	1,234,829

Approved by the trustees on 6 September 2023 and signed on their behalf by

Karen Walker
Chair

1st Place Children and Parents' Centre Ltd.

Statement of cash flows

For the year ended 31 March 2023

	Note	2023	2022
		£	£
Cash flows from operating activities	14		
Net cash (used in)/provided by operating activities		(60,241)	369,036
Cash flows from investing activities:			
Dividends, interest and rents from investments		3,241	362
Purchase of fixed assets		(28,726)	(40,424)
Net cash used in investing activities		(25,485)	(40,062)
Change in cash and cash equivalents in the year		(85,726)	328,974
Cash and cash equivalents at the beginning of the year		1,462,085	1,133,111
Cash and cash equivalents at the end of the year		1,376,359	1,462,085

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies

a) Statutory information

1st Place Children and Parents' Centre Ltd is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 12 Chumleigh Street, London, SE5 0RN.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

● Cost of raising funds	2%
● Children's Centre Services	15%
● Chumleigh Nursery	27%
● Cambridge House Nursery	32%
● Lorrimore Nursery	24%

Governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

● Cost of raising funds	5%
● Children's Centre Services	11%
● Chumleigh Nursery	28%
● Cambridge House Nursery	28%
● Lorrimore Nursery	28%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

The Support costs allocation to cost of raising funds represents an apportionment of our Marketing Manager's salary & marketing spend related to that function. We intend to employ a Fundraiser and will therefore have directly attributable costs in the future

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Office equipment	25% straight line
● Fixtures & Fittings	25% straight line
● Computer equipment	33% straight line
● Computer software	33% straight line

l) Debtors

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

m) Cash at bank and in hand

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

n) Creditors and provisions

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

o) Financial instruments

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

p) Pensions

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

Notes to the financial statements

For the year ended 31 March 2023

2a Income from charitable activities

	Unrestricted £	Restricted £	2023 Total £	2022 Total £
LB of Southwark: Children's Centre	–	420,464	420,464	421,717
Alexandra Rose Charity Grant	–	46,810	46,810	34,095
External Bookings	4,440	–	4,440	5,514
Sub-total for Children's Centre Services	4,440	467,274	471,714	461,326
LB of Southwark – free education entitlement	191,816	–	191,816	150,207
Nursery Fees	761,979	–	761,979	758,895
LB Southwark: Special Education Needs (SEN)	–	5,480	5,480	10,120
LB Southwark: Deprivation fund	24,419	–	24,419	25,697
Early Years Pupil Premium (EYPP) Grant	–	1,143	1,143	906
Sub-total for Chumleigh Nursery	978,214	6,623	984,837	945,825
LB of Southwark – free education entitlement	143,595	–	143,595	91,646
Nursery Fees	772,466	–	772,466	765,838
LB Southwark: Special Education Needs (SEN)	–	2,024	2,024	2,420
LB Southwark: Deprivation fund	13,547	–	13,547	14,956
EYPP Grant	–	567	567	604
Sub-total for Cambridge House Nursery	929,608	2,591	932,199	875,464
LB of Southwark – free education entitlement	179,340	–	179,340	186,410
Nursery Fees	478,406	–	478,406	398,032
LB Southwark: Special Education Needs (SEN)	–	7,084	7,084	3,432
LB Southwark: Deprivation fund	18,735	–	18,735	29,526
EYPP Grant	–	880	880	1,677
Sub-total for Lorrimore Nursery	676,481	7,964	684,445	619,077
Total income from charitable activities	2,588,743	484,452	3,073,195	2,901,692

Notes to the financial statements

For the year ended 31 March 2023

2b Income from charitable activities (prior year)

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
LB of Southwark: Children's Centre	–	421,717	421,717	420,464
Alexandra Rose Charity Grant	–	34,095	34,095	33,585
External Bookings	5,514	–	5,514	1,404
Sub-total for Children's Centre Services	5,514	455,812	461,326	455,453
LB of Southwark – free education entitlement	150,207	–	150,207	152,440
Nursery Fees	758,895	–	758,895	522,641
LB Southwark: Special Education Needs (SEN)	–	10,120	10,120	6,072
LB Southwark: Deprivation fund	25,697	–	25,697	18,663
Early Years Pupil Premium (EYPP) Grant	–	906	906	294
Sub-total for Chumleigh Nursery	934,799	11,026	945,825	700,110
LB of Southwark – free education entitlement	91,646	–	91,646	133,939
Nursery Fees	765,838	–	765,838	537,371
LB Southwark: Special Education Needs (SEN)	–	2,420	2,420	396
LB Southwark: Deprivation fund	14,956	–	14,956	17,430
EYPP Grant	–	604	604	286
Sub-total for Cambridge House Nursery	872,440	3,024	875,464	689,422
LB of Southwark – free education entitlement	186,410	–	186,410	190,633
Nursery Fees	398,032	–	398,032	185,577
LB Southwark: Special Education Needs (SEN)	–	3,432	3,432	396
LB Southwark: Deprivation fund	29,526	–	29,526	22,098
EYPP Grant	–	1,677	1,677	676
Sub-total for Lorrimore Nursery	613,968	5,109	619,077	399,380
Total income from charitable activities	2,426,721	474,971	2,901,692	2,244,365

3a Analysis of expenditure (current year)

		Charitable activities							
	Cost of raising funds £	Children's Centre Services £	Chumleigh Nursery £	Cambridge House Nursery £	Lorrimore Nursery £	Governance costs £	Support costs £	2023 Total £	2022 Total £
Staff costs (Note 5)	–	389,072	620,850	525,811	483,890	–	341,336	2,360,959	2,141,636
Other staff costs	–	3,391	30,027	94,453	36,065	–	23,391	187,327	107,181
Direct costs	–	9,464	46,740	32,103	23,813	–	7,650	119,770	102,807
Premises costs	–	2,615	28,801	46,642	44,759	–	16,217	139,034	183,910
Rental equipment	–	2,444	2,017	985	829	–	2,947	9,222	25,490
Utilities	–	3,829	46,971	5,107	22,381	–	56,416	134,704	108,797
Office costs	–	4,783	10,455	9,147	16,152	936	62,185	103,658	85,501
Legal and professional fees	5,400	984	1,710	23,113	3,989	12,300	21,680	69,176	42,345
Promotion	–	–	117	117	117	–	6,680	7,031	6,576
Depreciation	–	4,229	11,167	3,651	859	–	9,548	29,454	22,132
Bad debt	–	66	221	–	–	–	(2,712)	(2,425)	5,951
	5,400	420,877	799,076	741,129	632,854	13,236	545,338	3,157,910	2,832,326
Support costs	10,907	81,801	147,241	174,508	130,881	–	(545,338)	–	–
Governance costs	662	1,456	3,706	3,706	3,706	(13,236)	–	–	–
Total expenditure 2023	16,969	504,134	950,023	919,343	767,441	–	–	3,157,910	2,832,326
Total expenditure 2022	15,868	441,125	854,645	848,280	672,408	–	–		

Of the total expenditure, £2,568,100 was unrestricted (2022: £2,348,675) and £589,810 was restricted (2021: £483,651).

Notes to the financial statements

For the year ended 31 March 2023

3b Analysis of expenditure (prior year)

	Cost of raising funds £	Charitable activities					Support costs £	2022 Total £
		Children's Centre Services £	Chumleigh Nursery £	Cambridge House Nursery £	Lorrimore Nursery £	Governance costs £		
Staff costs (Note 5)	–	332,277	555,550	528,816	420,207	–	304,786	2,141,636
Other staff costs	–	2,786	17,245	32,311	22,085	–	32,754	107,181
Direct costs	–	6,627	37,045	33,027	19,245	–	6,863	102,807
Premises costs	–	14,732	45,068	64,126	40,897	–	19,087	183,910
Rental equipment	–	1,131	1,156	792	1,392	–	21,019	25,490
Utilities	–	2,776	37,231	5,226	20,992	–	42,572	108,797
Office costs	–	5,225	5,956	6,774	12,191	1,599	53,756	85,501
Legal and professional fees	5,000	440	1,590	1,590	7,517	10,710	15,498	42,345
Promotion	–	–	–	–	–	–	6,576	6,576
Depreciation	–	2,125	11,734	2,988	1,270	–	4,015	22,132
Bad debt	–	–	201	–	–	–	5,750	5,951
	5,000	368,119	712,776	675,650	545,796	12,309	512,676	2,832,326
Support costs	10,253	71,775	138,423	169,183	123,042	–	(512,676)	–
Governance costs	615	1,231	3,446	3,447	3,570	(12,309)	–	–
Total expenditure 2022	15,868	441,125	854,645	848,280	672,408	–	–	2,832,326

Notes to the financial statements

For the year ended 31 March 2023

4 Net income for the year

This is stated after charging:

	2023 £	2022 £
Depreciation	29,454	22,132
Operating lease rentals:		
Property	108,815	123,225
Other	9,222	25,491
Auditor's remuneration (excluding VAT):		
Audit	10,250	8,925
Other services	2,150	1,950
	<u>29,454</u>	<u>22,132</u>

5 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	2,136,640	1,935,226
Social security costs	161,503	137,521
Employer's contribution to defined contribution pension schemes	62,816	68,889
	<u>2,360,959</u>	<u>2,141,636</u>

One employee earned more than £60,000 during the year (2022: 1).

The total employee benefits including pension contributions of the key management personnel were £518,308 (2022: £476,866).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

There were no trustee expenses representing the payment or reimbursement of travel and subsistence costs (2022: £nil).

Pay ratio: The remuneration ratio for 1st Place is considered alongside external market conditions for the specific roles. The ratio of our highest salary (£65,271) to our lowest salary (£18,065) was 3.6 in 2023 (2022: 3.6)

6 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2023 No.	2022 No.
Raising funds	–	–
Children's Centre Services	17.4	18.6
Chumleigh Nursery	35.7	32.8
Cambridge House Nursery	44.2	39.8
Lorrimore Nursery	33.2	30.3
Support	14.8	15.5
Governance	–	–
	<u>145.3</u>	<u>137.0</u>

Notes to the financial statements

For the year ended 31 March 2023

7 Related party transactions

There are no related party transactions to disclose for 2023 (2022: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

8 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

9 Tangible fixed assets

	Office Equipment £	Computer Equipment £	Fixtures and Fittings £	Computer Software £	Total £
Cost or valuation					
At the start of the year	15,025	78,278	191,820	10,393	295,516
Additions in year	11,849	13,521	3,356	–	28,726
Disposals in year	(3,264)	(36,499)	–	–	(39,763)
At the end of the year	23,610	55,300	195,176	10,393	284,479
Depreciation					
At the start of the year	14,045	49,010	164,573	10,393	238,021
Charge for the year	2,733	14,786	11,935	–	29,454
Eliminated on disposal	(3,264)	(36,499)	–	–	(39,763)
At the end of the year	13,514	27,297	176,508	10,393	227,712
Net book value					
At the end of the year	10,096	28,003	18,668	–	56,767
At the start of the year	980	29,268	27,247	–	57,495

All of the above assets are used for charitable purposes.

10 Debtors

	2023 £	2022 £
Trade debtors	2,243	26,704
Prepayments	38,567	23,591
Other debtors	7,677	2,938
	48,487	53,233

Notes to the financial statements

For the year ended 31 March 2023

11 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	44,110	49,964
Taxation and social security	33,182	29,277
Other creditors	139,479	161,890
Accruals and deferred income	105,521	96,853
	322,292	337,984

12a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	50,823	–	5,944	56,767
Net current assets	947,667	50,440	104,447	1,102,554
Net assets at 31 March 2023	998,490	50,440	110,391	1,159,321

12b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	48,999	–	8,496	57,495
Net current assets	937,878	56,067	183,389	1,177,334
Net assets at 31 March 2022	986,877	56,067	191,885	1,234,829

Notes to the financial statements

For the year ended 31 March 2023

13a Movements in funds (current year)

	At 1 April 2022 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2023 £
Restricted funds:					
Special Education Needs	3,423	14,588	(62,737)	44,726	–
Family Support: Children's Centre	136,149	420,464	(462,682)	–	93,931
EYPP	7,977	2,590	–	–	10,567
Alexandra Rose Charity Grant	17,341	46,810	(41,395)	(16,863)	5,893
Erasmus EU funding	26,995	3,073	(22,996)	(7,072)	–
Total restricted funds	191,885	487,525	(589,810)	20,791	110,391
Unrestricted funds:					
Designated funds:					
Family Support Fund	1,000	–	(57)	–	943
Nursery Support Fund	55,067	–	(5,570)	–	49,497
Total designated funds	56,067	–	(5,627)	–	50,440
General funds	986,877	2,594,877	(2,562,473)	(20,791)	998,490
Total unrestricted funds	1,042,944	2,594,877	(2,568,100)	(20,791)	1,048,930
Total funds	1,234,829	3,082,402	(3,157,910)	–	1,159,321

13b Movements in funds (prior year)

	At 1 April 2021 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
Special Education Needs	25,477	15,972	(38,026)	–	3,423
Family Support: Children's Centre	125,842	421,717	(411,410)	–	136,149
EYPP	4,790	3,187	–	–	7,977
Alexandra Rose Charity Grant	12,961	34,095	(29,715)	–	17,341
Erasmus EU funding	8,059	28,190	(4,500)	(4,754)	26,995
Total restricted funds	177,129	503,161	(483,651)	(4,754)	191,885
Unrestricted funds:					
Designated funds:					
Family Support Fund	1,000	–	–	–	1,000
Nursery Support Fund	25,071	–	–	29,996	55,067
Total designated funds	26,071	–	–	29,996	56,067
General funds	912,251	2,448,543	(2,348,675)	(25,242)	986,877
Total unrestricted funds	938,322	2,448,543	(2,348,675)	4,754	1,042,944
Total funds	1,115,451	2,951,704	(2,832,326)	–	1,234,829

13 Movements in funds (continued)

Purposes of restricted funds

Special Educational Needs

These funds are used to provide additional support for children in the Nursery with special education needs. The deficit in the year is funded from general reserves representing part of 1st Place's charitable giving.

Family Support

The Family Support fund represents funds from the London Borough of Southwark to help run Family Support and Training services at 1st Place Children and Parents' Centre.

EYPP

These are funds received for the Early Years Pupil Premium (EYPP) to support disadvantaged children in the Nursery.

Alexandra Rose Grant

For distribution of Alexandra Rose Charity Fruit & Veg vouchers during the next year to local families in need. The transfer of costs from the Alexandra Rose Charity restricted reserve to general funds represents the costs for the administrative support needed to manage the Rose Voucher Project, plus the associated costs thereof.

Erasmus EU Funding

These funds are for educational visits to participating EU countries to aid development of future leaders and leadership skills among existing staff. Due to the Tory Party's decision to implement a hard Brexit, further participation in this excellent programme is no longer possible. It has been agreed that the surplus from this programme can be used to fund 1st Place's general charitable works.

Purposes of designated funds

The **Family Support Fund** is there to support families who encounter short term crises and do not have the available funds to address a short term need for example support to move home when being re-housed at short notice, or a family with no recourse to public funds whose main source of income is lost due to short term illness or hospitalisation.

The **Nursery Support Fund** has been created to support nursery families whose circumstances have changed, creating short-term financial pressure affecting their ability to maintain their child's attendance at a 1st Place nursery, or that family income in the short term will not cover the amount of hours their child needs to attend in order for parents/carers to work or study.

Notes to the financial statements

For the year ended 31 March 2023

14 Reconciliation of net income to net cash flow from operating activities

	2023 £	2022 £
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	(75,508)	119,378
Depreciation charges	29,454	22,132
Dividends, interest and rent from investments	(3,241)	(362)
Decrease in debtors	4,746	217,018
(Decrease) / increase in creditors	(15,692)	10,870
Net cash (used in) / provided by operating activities	(60,241)	369,036

15 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2023 £	2022 £
Less than one year	36,819	26,000
One to five years	64,000	64,000
Over five years	42,667	58,667
	143,486	148,667

16 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

1ST PLACE CHILDREN AND PARENTS' CENTRE LTD

England & Wales - Charity number 1120124

Accounts

Company number: 05424738

Charity number: 1120124

1st Place Children and Parents' Centre Ltd.

Report and financial statements

For the year ended 31 March 2022

Contents

For the year ended 31 March 2022

Reference and administrative information	1
Chair of Trustees' report	2
Trustees' annual report	4
Independent auditor's report	19
Statement of financial activities (incorporating an income and expenditure account)	23
Balance sheet	24
Statement of cash flows	25
Notes to the financial statements	26

Reference and administrative information

For the year ended 31 March 2022

Company number 05424738

Country of incorporation United Kingdom

Charity number 1120124

Country of registration England & Wales

Registered office and operational address 12 Chumleigh Street
LONDON
SE5 0RN

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Karen Walker Chair

Philip Wilkins Treasurer

Ben Asmah

Heba Ayoub

Symon Bacon

Douglas Buist – Resigned September 2021

Lucy Brazener – Resigned May 2022

Alan Dallas

Ruth Francis

Lucy Grove

Anna Hessenbruch – Resigned May 2022

Nigel Lloyd

Darren Mason

Heather Munn

Wenli Tsai

Lornette Pemberton – Appointed April 2022

Key management personnel Nicola Howard Director and Company Secretary

Bankers Barclays
1–3 Butterfly Walk
Camberwell
London, SE5 8RW

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108–114 Golden Lane
LONDON, EC1Y 0TL

Chair of the Trustees' Report

I am pleased to share with you the latest Annual report and audited accounts of 1st Place Children and Parent centre. It has once again been a busy year of gradually recovering from the effects of the pandemic and trying to settle both staff and children into old routines, continue with some of the better new ones that were established through the pandemic and make new ones for going forward into the brave new world we are facing post-pandemic.

Last year I shared a poem to reflect how 1st Place had gathered itself and begun the slow recovery. This year we have followed this trend, but there have been ups and downs, changes in staffing meaning the senior team have had a lot to do ensuring good induction has happened, supporting the children though this change building important relationships with parents and helping them learn the ethos behind 1st Place, all the while being mindful of the continuing restrictions that were in place. The team behind our Children & Family Centre services navigated the ever-changing COVID restrictions, ensuring that families some of whom had been at risk of isolation, got the help they needed, from understanding their child's development, learning English, finding suitable housing or to coming to our many play learning activities.

Above all children respond well to routine and structure in their day, so they can feel safe and confident in the activities they are engaged with and the adults they are surrounded by. We are lucky to have a strong and very able senior team who guide and support the teams in their daily work to ensure the best possible outcomes for children, in our nurseries and our wider family services. During this past year we were fortunate to achieve a good outcome in our latest OFSTED inspection at Cambridge House; although it did not reflect some of the incredible work Sara and her team have done there in developing their tool for supporting children acquiring language. I am proud of what all of our nurseries have achieved during such a challenging time. Well done team.

During this year we saw the reintroduction of in-person Trustee Board and sub-committee meetings, while still offering the flexibility of joining remotely. It was a year of change within the Board as some decided to move on, either due to the end of their tenure, or making a change in personal circumstance. I would like to take this opportunity to thank them on behalf of 1st Place for their fantastic support and dedication to ensuring the children and families of Southwark are in the best possible place to thrive and develop; and to welcome those new Trustees who join at a time of development and renewal. I hope that you will enjoy your time as a trustee and welcome you as a valued and vital part of our team at 1st Place.

Finally, last year I began with a poem and this year I would like to end with one. In early years we often speak about scaffolding as a way of building children's learning. The work our Early Education teams do reflects scaffolding of children's language, and it is something we all do at home with children in our daily interactions. So, it seemed to me this poem reflects how we at 1st Place create a secure and trusted environment, building solid walls within which children can feel safe and thrive.

Chair of the Trustees' report

For the year ended 31 March 2022

Masons, when they start upon a building
Are careful to test out the scaffolding;
Make sure that planks won't slip at busy points
Secure all ladders, tighten bolted joints.
And yet all this comes down, when the job's done
Showing off walls of sure and solid stone.
So if, my dear, there sometimes seem to be
Old bridges breaking between you and me
Never fear. We may let the scaffolds fall
Confident that we have built our wall.

Seamus Heaney 1939 – 2013

Thank you to all the incredible people who make up 1st Place.

Karen Walker
Chairperson, Board of Trustees

The Trustees (who act as directors of the Charity for the purposes of the Companies Act) submit their annual report and the financial statements of 1st Place Children and Parents' Centre for the year ended 31 March 2022.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a director's report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure that the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

1st Place is comprised of a purpose-built Children and Parents' Centre, with a number of additional sites providing early education and family support. It achieved charitable status in 2007 and has worked with the following aims:

1st Place shall be for the benefit of the residents in the London Borough of Southwark in particular families with young children, by:

1. Advancing the education of the residents through the provision of training and childcare facilities;
2. The provision of advice, support and guidance on issues relating to childcare, parenting, education, health and the environment;
3. The provision and maintenance of a family centre;
4. Encouraging the study of the needs of children and families in the (local area) and promoting public interest in and recognition of these needs; and
5. The promotion of environmental education and awareness.

How we work to achieve these objectives

1st Place achieves these objectives through the provision of;

- Innovative, high quality early learning experiences for young children;
- Training, volunteering and employment opportunities for local parents and other residents;

Trustees' annual report

For the year ended 31 March 2022

- Support for the regeneration of the local community in order to contribute to long-term social and economic stability.

1st Place Children and Parents' Centre also aims to nurture a community culture that celebrates diversity; a culture that models respect and support for young children and families as well as caring for the environment. 1st Place aims to support the ongoing growth and development of individuals and groups within the local community.

Our Aims

Since our inception in 2005, 1st Place's aims have focused on the locally identified needs of children and families. 1st Place objectives also support Southwark Children & Adult Services to deliver services and support within the Families Matter agenda and the achievement of the corporate priorities for Southwark's Children and Families' Trust's Children & Young People's Plan.

The Board of Trustees, the Director and senior managers have continued to develop the strategic direction of 1st Place and to action priority areas identified at the start of the year.

Our areas of focus are:

- 1st Place at the Heart of the Community.
- Excellence in All We Do.
- High Performing Teams.
- Financial Sustainability.

Our partners during 2021–2022

- University College of Osteopathy
- Bede House
- Homestart Southwark
- National Children's Bureau
- Friends of Burgess Park
- Learning Unlimited
- GSTT Speech & Language Therapy
- Creation Trust
- Community Southwark
- Solace Women's Aid
- Ripe Learning
- GSTT Midwifery
- South London & Maudsley Parental Mental Health Service
- St Paul's Church Lorrimore Square
- Coin Street
- The Alexandra Rose Charity
- Guys & St Thomas Charitable Trust (GSST)
- Evelina London Community Nutritionists

- Elm House
- Cambridge House & Talbot
- Pembroke House
- Evelina London Health Visitors

Achievements and Performance

1st Place at the Heart of the Community

Having another year where our ability to provide services to our community was limited, the importance of what 1st Place offers to children and their families in their earliest years remains very clear. With all that the first year of the pandemic had brought, with new ways of working that were developed, we were well placed to meet the challenges that the continued restrictions and directives brought.

In December 2021 levels of infection amongst staff increased and with the Delta and Omicron variants came the return to restrictions. As always, the whole team worked hard to maintain services, but on a small number of occasions it was not possible to keep our nurseries open for all children. Due to this and the ever-changing nature of the pandemic, we maintained the measures put in place to reduce infection rates for longer than required, with classroom 'bubbles' and parents continuing to drop their children to nursery at the entrance to our buildings.

Community services were open for our more vulnerable families, with targeted sessions resuming towards the end of the summer as permission to meet in larger groups was given. At first, families were quite reticent to meet, and as a result smaller sessions were put in place. With the encouragement of the Family Service staff, they felt safe and in control of mixing socially with staff and other families. For those who were not ready to return to meeting face to face, we continued to provide sessions using video conferencing, which helped us stay connected with those who needed the most help.

Early Education

Our aim to further develop SEND expertise and capacity within the nursery team to support our work with children with identified extra needs was vital this year as the need continued to grow. Over the last year we have invested in the development of our SEND team, with a full time SENCO in place from June 2022, providing a first point of call for parents whose children need additional help and the professionals who support them. They supported 48 children across all three nurseries three of which were in receipt of inclusion funding and 6 had an Education, Health and Care Plan (EHCP) in place before they went to school. Work with children who are hearing impaired has increased our contact with specialist teachers, with plans for a targeted play learning session in Autumn 2022.

Trustees' annual report

For the year ended 31 March 2022

Demand for our nurseries returned to pre-pandemic levels as restrictions were relaxed, with nurseries operating at above target levels of occupancy. Between April 2021 and March 2022, 289 children attended our full day care, and 130 children attended our sessional provision.

Managing the impact of coronavirus became more involved/active as structures for reporting were established. Reports to Public Health and Ofsted became part of our daily routine, as infection levels increased within the staff team and families of children attending our nurseries.

In March 2022 we began to make plans to invite families back in – some parents had only spent a couple of days inside our buildings when they were settling their children into nursery.

Our plans for a second 'Vision of the Child' exhibition were delayed for another year due to the pandemic. However, our Early Education managers presented at two conferences at the University of Greenwich. In June 2021 they spoke about our learnings from our first Erasmus visit and how it created the idea for our first exhibition. In March 2022 Marie Skelton and Bunmi Adams contributed to a seminar about 'Stretching Children's Learning'.

The Importance of outdoor, physical play remains a priority in our nurseries and Children and Family Centre services. With levels of obesity in young children in our community still at very high levels, establishing habits for active play in the early years is ever more important. We continue to develop the skills of our staff team with three Forest School practitioners and plans for a further two to be trained over the next year. Groups of children attend weekly sessions at the Forest School site in Burgess Park, where they can explore and develop new skills in a natural woodland area. Our 'Healthy Movers' and 'Southwark' Mile are popular sessions accessed by families through our Children & Family Centre services. During periods of restricted indoor gathering, they provided chances for children and parents to play together outdoors, which are helping to address the impact of the pandemic on the physical development of small children.

In March 2022, we achieved a Silver Healthy Early Years London (HEYL) award. HEYL is a scheme funded by the Mayor of London which supports and recognises achievements in child health, wellbeing and development in early years settings. Getting a good start in life, building emotional resilience, and getting maximum benefit from education are the most important markers for good health and wellbeing throughout life. As an Early Years setting, we can lay the foundations for lifelong health and wellbeing. We will work towards the Gold award over the next year.

Marking significant points in the year for our nursery children is important to us developing relationships with children and their families, such as cultural events and marking transition to school. While we were forced to suspend Eid and Christmas parties for children last year, we managed to celebrate this year, although some nursery groups were affected by the increased levels of COVID at the end of 2021. All nurseries had a graduation celebration, with parents joining by Zoom, and videos were shared with the parents.

Due to the continued travel restrictions caused by the pandemic, it was not possible to plan for the Erasmus+ study visits to Iceland, Italy and Poland in 2021. In late May 2022, a group of 11 staff visited Parma and Reggio Emilia, to learn more about approaches to enabling children to challenge themselves, take risks and develop their physical skills. This was followed by a second visit to by 10 staff to Elblag in Poland where we continued to explore the subject of managing risk in early years play. Due to the limited time remaining in the programme, it was not possible to complete the visit to Reykjavik.

Supporting our Families through Children and Family Centre Services

The Children and Family Centre commissioning negotiations continued to the end of 2021–22 period, with reassurances that agreements would be in place for the start of 2022–23 year. We maintain a clear commitment to this important part of the 1st Place offer, with a goal to fundraise to offset the impact of funding which has remained at 2016 levels. We began the year with resources to maintain staffing levels and premises, but the possibility of funding additional support, such as interpreting, from the commissioning budget is unlikely. To address this, as a charity we can commit our surplus to specific projects but have made progress towards active fundraising in order to ensure we can maintain Family Services if funding decreases or ends with the current commissioning period in March 2024.

The Family Services team adapted quickly to new ways of working to ensure we were in regular contact with children and families during a difficult time. However, there were fewer opportunities to contact those who were new to the area, or who were new parents meaning that some families may not be getting help when they needed it. During 2021–22 1013 new families were registered to Borough Bankside and Walworth children's centres. While numbers of registrations have increased since 2020–21 and the impact of the first lockdown, it is even more important that we are ensuring that our services are reaching as many children as possible. Due to this we took the decision to create a part time Community Family Worker position, focussing on outreach to families in our local community, and re-establishing links with our partners in health, education and with other community-based organisations, who will signpost families to the Children & Family Centre and its services.

As we became more accustomed to navigating the fluid, frequently changing restrictions of the pandemic, we re-established services at our main site in Chumleigh Gardens, and continued services established at our site at Victory School. 405 sessions were delivered, with 1876 individual attendances by children and their parents at sessions supporting play and child developments as well as parenting, family learning and ESOL. Health services provided by Evelina Hospital Trust also began again, with child development clinics running each week from Victory. This has already made a positive impact on our outreach to families with children under 2 years of age. We hope to have Health Visitors based within the Children & Family Centre by second quarter of 2022–23.

The Family Services team offer developed during the last year to include working with the whole family. Our Early Years Practitioners based within this team are now providing one to one (121)

support alongside play learning sessions and support to partner services through provision of creche. Building on new ways of working during the pandemic, practitioners encourage families to attend sessions offered at the Children & Family Centre as well as maintaining regular contact by telephone or home visits. This compliments the 121 family support given by Community Family Workers, whose cases are allocated through a central referral process within Family Early Help. During 2021–22, 55 families were referred 121 support with Community Family Workers and 142 referred for support from the Early Years Practitioners.

Over the next year, following a successful bid for funding, Southwark Family Early Help will begin to develop a network of Family Hubs which provide local support centres where families with children and young people aged 0–19 can access a broad and integrated range of early help to overcome difficulties and build stronger relationships. They will be based in existing Children and Family Centres as well as schools. As a provider of Children & Family Centre services, 1st Place will be part of the Family Hubs programme.,

Partnerships

The impact of the COVID–19 on the mental and physical health of children and their parents was seen early in the pandemic and the effects are seen in our day-to-day interactions with families in the community. The increase in levels of domestic abuse have made our long-standing partnerships with Bede House vital to getting the support to those who have moved through the traumatic process of leaving an abusive relationship. During 2021–22 over 50 people attended the Freedom group at 1st Place.

Over the last year, the Rose Vouchers for Fruit & Veg Project has gone from strength to strength. The project pivoted from its focus on healthy eating, to be key to addressing the issue of food insecurity in the borough. Since 1st Place began the partnership with Alexandra Rose Charity and Guys & St Thomas's Charity, a total of 1,231 families have been registered to the project, and 562 registering this year. Over 600 families collect their Rose Vouchers each month. There are now six distribution partners in Southwark. Linked to these partners are eight distribution partners, with ten distribution sessions each week in the borough.

Volunteers are crucial to the success of the Rose Vouchers for Fruit and Veg project. Fourteen new volunteers, many former or current Rose Voucher families attended the Rose Voucher Volunteer Induction Training June and July 2021. Twelve went on to be regular volunteers, with one taking up paid employment as our Rose Vouchers Administrative Assistant. Twelve further volunteers were trained in March 2022. We are immensely grateful for the time and commitment they give to making this project such a success. Funding for the current project ends in December 2022.

We continued to host the Fathers Parenting group and advice sessions delivered as part of Southwark Family Early Help parenting strategy. We have enjoyed welcoming this group each week and have seen the dads begin to ask questions about nursery places for their children and information about other

services in the Children's Centre. We plan to build on this important work with Dads and male carers with our Saturday Dads group starting again in September 2022. This will also facilitate access to the main centre at Chumleigh Gardens for other partners at weekends.

Communication & Marketing

Maintaining regular contact with families remains a priority, especially during the period of lockdown.,. With daily information from Public Health England and the Department for Education, we issued weekly e-mail updates and urgent notifications to nursery families using the Blossom Educational app, and this continued until April 2022.

Since restrictions have been lifted and the re-introduction of people into the buildings, we have been able to use printed material to promote services, family services sessions, recruitment as well as for the Rose Vouchers project and postcards for outreach to families and partners.

Staffing has been an ongoing issue, we have been using social media advertising monitoring data and adapting ads and ad placement accordingly and have created posters and flyers with QR codes, some of which have also been distributed to local business and colleges.

We are continuously trying to improve communication with parents and staff by listening to feedback and implementing changes reflective on this, feedback is mainly gathered via surveys and discussions with the Early Education, Family Services and Administration team. We have introduced a new newsletter format, using Mailchimp, which allows us to monitor how many people are reading the updates and following link providing valuable insights to support service improvement. The parent update has had a great response so far with consistent open rates of over 70% and great engagement.

We are using feedback and investigation to identify where changes could be made on the website to improve access to information about services and activities.

We have made changes for the Rose Vouchers pages and a new page has been created for nursery parents, containing links to the HUB & Library and nursery related news.

We have been revisiting the customer journey, with focus on KPI and conversion rates, to help identify what improvements can be made in the initial stages of enquiries and parents joining the nursery as well as looking at the overall satisfaction of current parents.

High Performing Teams

The team at 1st Place are at the heart of the help we offer to children and their families. Because of their commitment to our work, as an organisation we are committed to making 1st Place the best place to work. While the current economic situation continues to be challenging, the Board of Trustees were committed to ensuring that pay awards reflected the increased cost of living. Employee benefits are also a focus, with reduced nursery fees, interest free loans and generous annual leave allocations. Staff wellbeing is also important, and over the last year we have offered yoga, workstation

wellbeing advice and massage therapy to support physical wellbeing. A Death in Service benefit is also now offered to all permanent staff.

Our commitment to equity, diversity and inclusion remains a focus for the senior leadership team, Trustees at 1st Place. Staff and Trustees meet at our fortnightly Equity Diversity, Inclusion and Anti-racism meetings. A sixth member of the team was trained as an Equity, Diversity and Inclusion representative. This team meet regularly and are beginning to review 1st Place policies and develop resources including those to help the team understand appropriate language and terminologies so we can celebrate the rich and diverse team we are part of. To support this, the whole staff team undertook Unconscious Bias training this year. Bringing everyone together to discuss the biases we all have and think how we can challenge this individually and as a team was very powerful.

A new structure for Early Education staff development was implemented this year. This gives a clear competency-based procedure for practitioners at all levels to progress and is no longer exclusively linked to qualifications. With the commitment last year by Trustees to developing our fundraising strategy, our first attempts to recruit a fundraiser were unsuccessful due to a competitive market for these skills. We have however worked with an external consultant to develop our case for support, with funding applications being submitted in the second quarter of 2022.

Serious Incident Reporting

We have procedures for the reporting of serious incidents to the Charity Commission in accordance with the statutory requirement under section 169 of the Charities Act 2011. Trustees confirm that there were no serious incidents or other matters relating to 1st Place Children & Parents Centre Limited during the year that should have been brought to the attention of the Charity Commission.

Safeguarding Duties

As an organisation 1st Place acknowledge and act on our duty of care to staff and service users. Trustees recognise that being safe and free of abuse is central to ensuring the continued promotion of a person's wellbeing. 1st Place has policies and procedures in place to enable us to respond to all concerns of abuse appropriately, operating in line with the Southwark Safeguarding Children's Partnership Board guidance and Pan London Multi-Agency Safeguarding Policy. Our policies and procedures for children and adults at risk are reviewed annually. Our trustee safeguarding lead is Lucy Brazener for 2021–22. All Trustees are required to undertake Safeguarding for Trustees training. The Director is the Named Person, supported by seven Designated Safeguarding leads. All staff have Safeguarding Children training on appointment and every two years, appropriate to their level of responsibility. Senior Managers undertake Safer recruitment training every three years. In 2021–2 all Early Education staff undertook Domestic Violence Awareness Training and Understanding Adverse Childhood Experiences.

Trustees confirm that Internal processes concerning the conduct of members of the 1st Place team show there were no allegations made against a trustee, an employee, an intern, or a volunteer by a service user during 2021–22. There were two complaints raised to Ofsted in relation to care of children in our nurseries, which were not upheld with no further action.

Financial Sustainability

We ended the last financial year in protracted negotiations with our insurers regarding compensation for interruption of business during the first lockdown. We learned in September 2021 that our claim had been settled, awarding £245,568 of a possible £250,000 maximum cover. We are grateful to our Treasurer, Phil Wilkins for his tenacity and time given to pursue the claim on behalf of 1st Place.

However, the financial impact of COVID-19 on 1st Place continued through the second year of the pandemic. While there were not the extensive closures of the previous year to negotiate, we were required to close 'bubbles' of children and staff where there were outbreaks of coronavirus within the groups. As contracts stated that where we were unable to provide a service, families were not charged for the second week of closure, and this impacted our income during periods with higher infection rates.

With improved reserves exceeding the expected three months operating costs, at the end of 2021, Trustees began to explore how surplus income could be invested to generate further charitable funds. However, with the outbreak of the conflict in Ukraine, and a change in the global financial markets, the decision was taken to pause this work until the markets stabilise.

We were informed at the end of May 2021 of the intention of Cambridge House to sell their building. As a long-standing tenant this has created a period of uncertainty for staff as well as current and prospective families. We were notified of a sale in August 2022 and we have begun discussions with the new owners in relation to our tenancy going forward. Our intention has always been to maintain three nursery sites, and senior managers and Trustees have plans in place to ensure that we can maintain capacity should the intentions of a new property owner change.

Following a donation over a period of two years from an external beneficiary, 1st Place has created a Nursery Support Fund, to help current nursery families through short term financial challenges such as loss of employment or a move into employment. The fund is to enable a child's nursery place to be maintained in the short term until the family circumstances become more stable. To maintain this fund into the future, 1st Place will contribute 10% of its annual surplus. We hope that in the future a similar fund can be developed for families within our wider community to support through small grants.

Ensuring that our buildings offer the best environment for staff and those who use our services, our facilities team have made several improvements over the last year. The kitchen where all the food for our nurseries is prepared was refitted increasing storage and preparation space for the team. As the number of children attending the Lorrimore Square nursery has grown, access to outside play space has become an issue. Working with St Pauls church and the Diocese of Southwark, plans for extending the current provision have been submitted to Southwark Planning, along with a new door providing direct access to outside space.

Principal funding

The continuing growth and success of 1st Place this year has been facilitated by consistent funding and we would particularly like to acknowledge Southwark Children and Adult Services for the allocation of Children and Family Centre funding, the Free Early Education Entitlement and Free Early Education Offer. As ever, the continued commitment of local parents to our nursery, and of local services and groups for our room hire, is crucial to the continuation of our services.

Investment policy and performance

1st Place banking arrangements are held with Barclays Bank. Funds are held between a deposit account and a current account. There are no bank/savings accounts currently available that would generate any significant interest income.

Financial review

Paramount to a strong charitable enterprise is sound business practice ensuring strong reserves capacity. Last Year, was the second successive year when our normal working was significantly disrupted by both Covid related absences of our staff, children, and changes to working practices imposed by Covid regulations.

Once again, our resourceful staff adapted to these changes maximising the level of service we offered to both our children in our nurseries and the local community delivered by our Children's Centre Service team.

Our revenue recovered significantly in the second half of the financial year which has enabled us to make a pay award to our dedicated staff of approximately 6% from the start of the new financial year, April 2022.

Nevertheless, recruitment and retention of staff at all levels continues to be one of our greatest challenges.

There is a question mark over the continuing occupancy of our nursery facility at Cambridge House due to possible change of ownership. We have robust contingency plans to maintain our existing capacity'.

As a result of the above, our General and Designated Reserves increased in the year by £105K to £1,043K which represents 5.4 months cover of related expenses.

Our Restricted Reserves increased by £15K to £192K which represents 4.7 months cover. Overall, our Reserves represent 5.2 months cover of expenses. We consider this to be a satisfactory level of reserves.

Despite continuing operating difficulties, due to the dedication and quality of our frontline staff coupled with then strength and experience of our Senior Management team, we are comfortable with our depth of Reserves. Overall, we closed the year with Total Funds representing 5.3 months cover of Expenses.

Reserves Policy

The 1st Place Reserves Policy is to maintain total free reserves, excluding the element which relates to tangible fixed assets, at a level which is no less than approximately three month's operating costs. This policy provides the ability to cope with unforeseen expenditure of both a capital and an expenditure nature, and with interruptions in income flows. 1st Place has focussed on building adequate reserves over the last eleven years, while within the sector there had been a shift towards risk-based reserves policies. However, no one could have foreseen the impact of a global pandemic on both commercial as well as not for profit sectors, and never has the need to maintain adequate reserves been more apparent.

The Reserves Policy is reviewed and amended annually by the Board of Trustees.

Free reserves at 31 March 2022 were £938k, an increase of £64k on 31 March 2021. This is equal to 4.8 months of total expenditure and so above the targeted level set by the Board of Trustees of £587,168.

Fundraising

1st Place Children and Parents' Centre Ltd does not engage in large scale public fundraising and does not use professional fundraisers or commercial participators. Nevertheless, the charity observes and complies with the relevant fundraising regulations and codes. During the year, there was no non-compliance of these regulations and codes and the Centre received no complaints relating to its fundraising practice.

Plans for the future

Over the next year, working within our 2021–2024 Strategic Plan we will:

- Continue our commitment to 1st Place being an organisation where equity, inclusion and opportunity is a reality for everyone.
- Develop new community partnerships to compliment education and community support offer.
- Develop our Adult Learning offer
- Set in place target setting and mechanisms for measuring recruitment and for staff retention
- Goal to offer all salaries above London Living Wage
- Develop fundraising capacity

Structure, governance and management

1st Place Children and Parents' Centre is a registered charity and company limited by guarantee with no share capital. The liability of Trustees in the event of insolvent liquidation is limited to £1 each. The members of the Board of Trustees are appointed by members of the Board. Day-to-day management of the Charity is delegated to the Director who is responsible for other staff. The Board of Trustees meet regularly, with four sub-committees (Early Education, Finance & General Purposes, Human Resources and Safeguarding) overseeing the operational activities of the organisation. The Full Board meets quarterly to approve the business undertaken in the sub-committees. Additional working groups convene as and when required. Trustees are given appropriate induction, upon appointment, and ongoing training as required in order to assist them in fulfilling their role.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association. All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Remuneration Policy

We recognise the importance of being transparent and accountable in all aspects of our work, including how we reward and recognise our staff. We are working towards paying the London Living Wage (or becoming an accredited Living Wage Employer). The London Living Wage is an hourly rate set independently and updated annually, based on the cost of living in London.

1st Place 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. In deciding on levels of pay, the following factors are taken into account:

1. The mission, aims, objectives and values of 1st Place.
2. How any decisions might impact on the overall pay policy for all staff.
3. The type of skills, experience, competences etc. that our organisation needs.
4. A significant increase in responsibilities for a member of staff, or major change in job description.
5. Our current strategic business plan and how this might affect future needs.
6. Our ability to pay. It is our aspiration to pay a cost of living increase each year to all staff.
7. Regular benchmarking of salaries relative to pay levels in other charities in the sector of similar size, budgets and responsibilities, using independent external information.
8. Our track record in recruiting and retaining high-performing staff.
9. The impact of any decision on our public reputation, especially amongst our service users and stakeholders.

Performance Management

Trustees' annual report

For the year ended 31 March 2022

We have a performance management and appraisal policy that:

- Promotes a consistent approach to workforce supervision throughout 1st Place.
- Ensures that supervision is geared to achieving the organisation's objectives.
- Addresses the personal impact of work on all 1st Place's staff, volunteers, interns and trainees.

Risk Assessment

The Board of Trustees regularly review and assess the risks faced by 1st Place in all areas of its work, and plan for the management of those risks. The management ensure that all plans and decisions take into account the possibility of negative outcomes. There is a Risk Register which is compiled and monitored monthly by the Finance & General Purposes (F&GP) sub-committee, reported on quarterly at meetings of the Full Board and reviewed annually in order to ensure that the material risks to which the charity is exposed are properly evaluated and managed. The Director and senior management team implement appropriate mitigating actions to address the residual risks, mitigating them to a level the Trustees consider acceptable. The Board of Trustees recognises that, to achieve the objectives of the charity, the nature of some of 1st Place work requires acceptance of some risks that are outside our control, that is, risks which cannot be eliminated, so where this happens there is active and clear monitoring of the risk. The Facilities Manager will carry out a risk assessment when any risk is identified. The Risk Register working group reporting to F&GP sub-committee are working with the senior management to solidify the appropriate systems and controls to monitor, manage and mitigate exposure to risks. Principle risks and uncertainties are assessed for impact and likelihood. The highest risk areas have been identified as follows:

- Failure to generate sufficient income
 - The volatile global economic situation and its effects on general inflation are already impacting on costs of utilities and housing for parents and service users. This may affect parents' ability to pay nursery fees. We will implement the Nursery Support fund where we are able to help short term financial difficulties for families using the nursery. The board will work with the management team to identify how we can support staff at critical points.
 - Increased running costs will impact our ability to generate a surplus and may reduce our free reserves.
 - Regular monitoring of occupancy using latest nursery management software so that trends can be identified and forward planning termly is effective so that waiting lists can be maintained. Performance in the Children and Family Centre maintained at a high level so that funding continues.
- Failure to effectively manage budget and liquidity
 - Close monitoring monthly and quarterly of income and expenditure at an operational and strategic level by managers and Trustees.
 - Budgets reviewed by Treasurer, Director and Finance Manager to ensure they are realistic and achievable, with reforecasting as necessary.
- Recruitment and retention of early education staff.

Trustees' annual report

For the year ended 31 March 2022

- The need to remain in state of preparedness to mitigate issues that may affect capacity and staffing will remain a focus for managers, with expectations of further COVID-19 outbreaks anticipated.
- Ensuring that standards are maintained with Ofsted at Good or Outstanding through investment in recruitment of well qualified staff and investment in ongoing CPD.
- Changes to ownership of nursery sites create the need to change how our services are delivered and managed in both interim and long-term planning

Statement of responsibilities of the trustees

The Board of Trustees is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees, who are also the charitable company's directors, to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis (unless it is inappropriate to presume that the charity will continue in operation); and observe the methods and principles of the Charities SORP.

The Board of Trustees has overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping adequate accounting records, which disclose with reasonable accuracy, are sufficient to show and explain the charity's transactions and the financial position of the charity at any time and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Statement of disclosure of information to auditors

We, as the directors of the charitable company who held office at the date of approval of these financial statements as set out on page one, each confirm, so far as we are aware, that:

- There is no relevant audit information of which the charitable company's auditors are unaware.
- We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Preparation of this report

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 5 September 2022 and signed on their behalf by

Karen Walker
Chair

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

Opinion

We have audited the financial statements of 1st Place Children and Parents' Centre Ltd (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 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
- 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 1st Place Children and Parents' Centre Ltd's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

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 are set out below.

Capability of the audit in detecting irregularities

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

- We enquired of management which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - 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 related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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. This 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: 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Noelia Serrano (Senior statutory auditor)

20 October 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

1st Place Children and Parents' Centre Ltd.

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	General £	Designated £	Restricted £	2022 Total £	General £	Designated £	Restricted £	2021 Total £
Income from:									
Donations and legacies		21,101	–	28,190	49,291	3,717	–	–	3,717
Charitable activities									
Children's Centre Services	2a	5,514	–	455,812	461,326	1,404	–	454,049	455,453
Chumleigh Nursery	2a	934,799	–	11,026	945,825	675,081	18,663	6,366	700,110
Cambridge House Nursery	2a	872,440	–	3,024	875,464	671,310	17,430	682	689,422
Lorrimore Nursery	2a	613,968	–	5,109	619,077	376,210	22,098	1,072	399,380
Investments		362	–	–	362	206	–	–	206
Other	3	359	–	–	359	412,035	–	–	412,035
Total income		2,448,543	–	503,161	2,951,704	2,139,963	58,191	462,169	2,660,323
Expenditure on:									
Raising funds	4	15,868	–	–	15,868	10,757	–	–	10,757
Charitable activities									
Children's Centre Services	4	–	–	441,125	441,125	–	–	432,076	432,076
Chumleigh Nursery	4	841,480	–	13,165	854,645	731,031	10,079	3,001	744,111
Cambridge House Nursery	4	838,629	–	9,651	848,280	766,270	2,904	3,564	772,738
Lorrimore Nursery	4	652,698	–	19,710	672,408	565,312	2,227	13,540	581,079
Total expenditure		2,348,675	–	483,651	2,832,326	2,073,370	15,210	452,181	2,540,761
Net income for the year		99,868	–	19,510	119,378	66,593	42,981	9,988	119,562
Transfers between funds		(25,242)	29,996	(4,754)	–	203,898	(203,898)	–	–
Net movement in funds		74,626	29,996	14,756	119,378	270,491	(160,917)	9,988	119,562
Reconciliation of funds:									
Total funds brought forward		912,251	26,071	177,129	1,115,451	641,760	186,988	167,141	995,889
Total funds carried forward		986,877	56,067	191,885	1,234,829	912,251	26,071	177,129	1,115,451

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

Balance sheet

Company no. 05424738

As at 31 March 2022

	Note	£	2022 £	2021 £
Fixed assets:				
Tangible assets	10		<u>57,495</u>	<u>39,203</u>
			57,495	39,203
Current assets:				
Debtors	11	53,233	270,251	
Cash at bank and in hand		<u>1,462,085</u>	<u>1,133,111</u>	
		1,515,318	1,403,362	
Liabilities:				
Creditors: amounts falling due within one year	12	<u>337,984</u>	<u>327,114</u>	
Net current assets			<u>1,177,334</u>	<u>1,076,248</u>
Total net assets	13		<u><u>1,234,829</u></u>	<u><u>1,115,451</u></u>
The funds of the charity:	14			
Restricted income funds			191,885	177,129
Unrestricted income funds:				
Designated funds		56,067	26,071	
General funds		<u>986,877</u>	<u>912,251</u>	
Total unrestricted funds			<u>1,042,944</u>	<u>938,322</u>
Total charity funds			<u><u>1,234,829</u></u>	<u><u>1,115,451</u></u>

Approved by the trustees on 5 September 2022 and signed on their behalf by

Karen Walker
Chair

1st Place Children and Parents' Centre Ltd.

Statement of cash flows

For the year ended 31 March 2022

	Note	2022	2021
		£	£
Cash flows from operating activities	15		
Net cash provided by / (used in) operating activities		369,036	(53,136)
Cash flows from investing activities:			
Dividends, interest and rents from investments		362	206
Purchase of fixed assets		(40,424)	(23,898)
Net cash used in investing activities		(40,062)	(23,692)
Change in cash and cash equivalents in the year		328,974	(76,828)
Cash and cash equivalents at the beginning of the year		1,133,111	1,209,939
Cash and cash equivalents at the end of the year		1,462,085	1,133,111

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies

a) Statutory information

1st Place Children and Parents' Centre Ltd is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 12 Chumleigh Street, London, SE5 0RN.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees have specifically considered the impact of covid-19 on the charitable company's ability to continue as a going concern and does not consider this to be a source of material uncertainty.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

● Cost of raising funds	2.0%
● Children's Centre Services	14.0%
● Chumleigh Nursery	27.0%
● Cambridge House Nursery	33.0%
● Lorrimore Nursery	24.0%

Governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

● Cost of raising funds	5%
● Children's Centre Services	10%
● Chumleigh Nursery	28%
● Cambridge House Nursery	28%
● Lorrimore Nursery	29%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

The Support costs allocation to cost of raising funds represents an apportionment of our Marketing Manager's salary & marketing spend related to that function. We intend to employ a Fundraiser and will therefore have directly attributable costs in the future

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Office equipment	25% straight line
● Fixtures & Fittings	25% straight line
● Computer equipment	33% straight line
● Computer software	33% straight line

l) Debtors

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

m) Cash at bank and in hand

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

n) Creditors and provisions

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

o) Financial instruments

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

p) Pensions

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

Notes to the financial statements

For the year ended 31 March 2022

2a Income from charitable activities

	Unrestricted £	Restricted £	2022 Total £	2021 Total £
LB of Southwark: Children's Centre	–	421,717	421,717	420,464
Alexandra Rose Charity Grant	–	34,095	34,095	33,585
Creche Fees	5,514	–	5,514	1,404
Sub-total for Children's Centre Services	5,514	455,812	461,326	455,453
LB of Southwark – free education entitlement	150,207	–	150,207	152,440
Nursery Fees	758,895	–	758,895	522,641
LB Southwark: Special Education Needs (SEN)	–	10,120	10,120	6,072
LB Southwark: Deprevation fund	25,697	–	25,697	18,663
Early Years Pupil Premium (EYPP) Grant	–	906	906	294
Sub-total for Chumleigh Nursery	934,799	11,026	945,825	700,110
LB of Southwark – free education entitlement	91,646	–	91,646	133,939
Nursery Fees	765,838	–	765,838	537,371
LB Southwark: Special Education Needs (SEN)	–	2,420	2,420	396
LB Southwark: Deprevation fund	14,956	–	14,956	17,430
EYPP Grant	–	604	604	286
Sub-total for Cambridge House Nursery	872,440	3,024	875,464	689,422
LB of Southwark – free education entitlement	186,410	–	186,410	190,633
Nursery Fees	398,032	–	398,032	185,577
LB Southwark: Special Education Needs (SEN)	–	3,432	3,432	396
LB Southwark: Deprevation fund	29,526	–	29,526	22,098
EYPP Grant	–	1,677	1,677	676
Sub-total for Lorrimore Nursery	613,968	5,109	619,077	399,380
Total income from charitable activities	2,426,721	474,971	2,901,692	2,244,365

Notes to the financial statements

For the year ended 31 March 2022

2b Income from charitable activities (prior year)

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
LB of Southwark: Children's Centre	–	420,464	420,464	420,463
Alexandra Rose Charity Grant	–	33,585	33,585	14,120
Creche Fees	1,404	–	1,404	11,940
Sub-total for Children's Centre Services	1,404	454,049	455,453	446,523
LB of Southwark – free education entitlement	152,440	–	152,440	211,029
Nursery Fees	522,641	–	522,641	608,154
LB Southwark: Special Education Needs (SEN)	–	6,072	6,072	3,010
LB Southwark: Deprevation fund	18,663	–	18,663	18,026
Early Years Pupil Premium (EYPP) Grant	–	294	294	827
Sub-total for Chumleigh Nursery	693,744	6,366	700,110	841,046
LB of Southwark – free education entitlement	133,939	–	133,939	166,885
Nursery Fees	537,371	–	537,371	628,901
LB Southwark: Special Education Needs (SEN)	–	396	396	396
LB Southwark: Deprevation fund	17,430	–	17,430	16,405
EYPP Grant	–	286	286	–
Sub-total for Cambridge House Nursery	688,740	682	689,422	812,587
LB of Southwark – free education entitlement	190,633	–	190,633	189,619
Nursery Fees	185,577	–	185,577	342,459
LB Southwark: Special Education Needs (SEN)	–	396	396	19,165
LB Southwark: Deprevation fund	22,098	–	22,098	20,124
EYPP Grant	–	676	676	716
Sub-total for Lorrimore Nursery	398,308	1,072	399,380	572,083
Total income from charitable activities	1,782,196	462,169	2,244,365	2,672,239

3 Income from other sources

	2022 Total £	2021 Total £
CJRS grant	–	165,717
Business Interruption Insurance claim	–	245,568
Other income	119	750
	119	412,035

All income from other sources is unrestricted in 2022 and 2021.

Notes to the financial statements

For the year ended 31 March 2022

4a Analysis of expenditure (current year)

		Charitable activities							
	Cost of raising funds £	Children's Centre Services £	Chumleigh Nursery £	Cambridge House Nursery £	Lorrimore Nursery £	Governance costs £	Support costs £	2022 Total £	2021 Total £
Staff costs (Note 6)	–	332,277	555,550	528,816	420,207	–	304,786	2,141,636	2,020,615
Other staff costs	–	2,786	17,245	32,311	22,085	–	32,754	107,181	45,824
Direct costs	–	6,627	37,045	33,027	19,245	–	6,863	102,807	70,419
Premises costs	–	14,732	45,068	64,126	40,897	–	19,087	183,910	131,701
Rental equipment	–	1,131	1,156	792	1,392	–	21,019	25,490	24,225
Utilities	–	2,776	37,231	5,226	20,992	–	42,572	108,797	83,025
Office costs	–	5,225	5,956	6,774	12,191	1,599	53,756	85,501	88,646
Legal and professional fees	5,000	440	1,590	1,590	7,517	10,710	15,498	42,345	32,826
Promotion	–	–	–	–	–	–	6,576	6,576	6,377
Depreciation	–	2,125	11,734	2,988	1,270	–	4,015	22,132	16,547
Bad debt	–	–	201	–	–	–	5,750	5,951	20,556
	5,000	368,119	712,776	675,650	545,796	12,309	512,676	2,832,326	2,540,761
Support costs	10,253	71,775	138,423	169,183	123,042	–	(512,676)	–	–
Governance costs	615	1,231	3,446	3,447	3,570	(12,309)	–	–	–
Total expenditure 2022	15,868	441,125	854,645	848,280	672,408	–	–	2,832,326	2,540,761
Total expenditure 2021	10,757	432,076	744,111	772,738	581,079	–	–		

Of the total expenditure, £2,348,675 was unrestricted (2021: £2,088,580) and £483,651 was restricted (2021: £452,181).

Notes to the financial statements

For the year ended 31 March 2022

4b Analysis of expenditure (prior year)

	Cost of raising funds £	Charitable activities				Governance costs £	Support costs £	2021 Total £
		Children's Centre Services £	Chumleigh Nursery £	Cambridge House Nursery £	Lorrimore Nursery £			
Staff costs (Note 6)	–	324,040	523,727	483,169	363,816	–	325,863	2,020,615
Other staff costs	–	770	12,574	11,197	3,745	–	17,538	45,824
Direct costs	–	14,200	22,959	19,467	10,150	–	3,643	70,419
Premises costs	–	2,420	10,302	65,166	40,041	–	13,772	131,701
Rental equipment	–	1,223	1,006	649	770	–	20,577	24,225
Utilities	–	(697)	10,946	7,718	18,578	–	46,480	83,025
Office costs	–	10,162	10,026	10,834	12,185	843	44,596	88,646
Legal and professional fees	–	5,910	1,612	1,590	1,590	10,200	11,924	32,826
Promotion	–	–	480	480	1,779	–	3,638	6,377
Depreciation	–	1,511	9,404	840	2,768	–	2,024	16,547
Bad debt	–	–	220	159	–	–	20,177	20,556
	–	359,539	603,256	601,269	455,422	11,043	510,232	2,540,761
Support costs	10,204	71,432	137,763	168,377	122,456	–	(510,232)	–
Governance costs	553	1,105	3,092	3,092	3,201	(11,043)	–	–
Total expenditure 2021	10,757	432,076	744,111	772,738	581,079	–	–	2,540,761

Notes to the financial statements

For the year ended 31 March 2022

5 Net income for the year

This is stated after charging:

	2022 £	2021 £
Depreciation	22,132	16,547
Operating lease rentals:		
Property	123,225	121,346
Other	25,491	24,225
Auditor's remuneration (excluding VAT):		
Audit	8,925	8,500
Other services	1,950	1,850

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	1,935,226	1,829,307
Social security costs	137,521	129,277
Employer's contribution to defined contribution pension schemes	68,889	62,031
	2,141,636	2,020,615

One employee earned more than £60,000 during the year (2021: nil).

The total employee benefits including pension contributions of the key management personnel were £476,866 (2021: £473,340).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

There were no trustee expenses representing the payment or reimbursement of travel and subsistence costs (2021: £nil).

Pay ratio: The remuneration ratio for 1st Place is considered alongside external market conditions for the specific roles. The ratio of our highest salary (£61,027.20) to our lowest salary (£17,035.20) was 3:6 in 2021–22.

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2022 No.	2021 No.
Raising funds	–	–
Children's Centre Services	18.6	12.0
Chumleigh Nursery	32.8	37.2
Cambridge House Nursery	39.8	37.2
Lorrimore Nursery	30.3	29.0
Support	15.5	15.8
Governance	–	–
	137.0	131.2

Notes to the financial statements

For the year ended 31 March 2022

8 Related party transactions

There are no related party transactions to disclose for 2022 (2021: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Office Equipment £	Computer Equipment £	Fixtures and Fittings £	Computer Software £	Total £
Cost or valuation					
At the start of the year	15,025	44,924	184,750	10,393	255,092
Additions in year	–	33,354	7,070	–	40,424
At the end of the year	15,025	78,278	191,820	10,393	295,516
Depreciation					
At the start of the year	12,074	40,643	152,779	10,393	215,889
Charge for the year	1,971	8,367	11,794	–	22,132
At the end of the year	14,045	49,010	164,573	10,393	238,021
Net book value					
At the end of the year	980	29,268	27,247	–	57,495
At the start of the year	2,951	4,281	31,971	–	39,203

All of the above assets are used for charitable purposes.

11 Debtors

	2022 £	2021 £
Trade debtors	26,704	376
Accrued income	–	245,568
Prepayments	26,529	24,307
	53,233	270,251

Notes to the financial statements

For the year ended 31 March 2022

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	49,964	10,004
Taxation and social security	29,277	31,478
Other creditors	161,890	180,883
Accruals and deferred income	96,853	104,749
	337,984	327,114

13a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	48,999	–	8,496	57,495
Net current assets	937,878	56,067	183,389	1,177,334
Net assets at 31 March 2022	986,877	56,067	191,885	1,234,829

13b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	37,846	–	1,357	39,203
Net current assets	874,405	26,071	175,772	1,076,248
Net assets at 31 March 2021	912,251	26,071	177,129	1,115,451

Notes to the financial statements

For the year ended 31 March 2022

14a Movements in funds (current year)

	At 1 April 2021 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2022 £
Restricted funds:					
Special Education Needs	25,477	15,972	(38,026)	–	3,423
Family Support: Children's Centre	125,842	421,717	(411,410)	–	136,149
EYPP	4,790	3,187	–	–	7,977
Alexandra Rose Charity Grant	12,961	34,095	(29,715)	–	17,341
Erasmus EU funding	8,059	28,190	(4,500)	(4,754)	26,995
Total restricted funds	177,129	503,161	(483,651)	(4,754)	191,885
Unrestricted funds:					
Designated funds:					
Family Support Fund	1,000	–	–	–	1,000
Nursery Support Fund	25,071	–	–	29,996	55,067
Total designated funds	26,071	–	–	29,996	56,067
General funds	912,251	2,448,543	(2,348,675)	(25,242)	986,877
Total unrestricted funds	938,322	2,448,543	(2,348,675)	4,754	1,042,944
Total funds	1,115,451	2,951,704	(2,832,327)	–	1,234,829

14b Movements in funds (prior year)

	At 31 March 2020 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Special Education Needs	43,098	6,864	(24,485)	–	25,477
Family Support: Children's Centre	110,809	420,464	(405,431)	–	125,842
Lorrimore Fund	389	–	(389)	–	–
EYPP	3,534	1,256	–	–	4,790
Alexandra Rose Charity Grant	6,021	33,585	(26,645)	–	12,961
Erasmus EU funding	3,290	–	4,769	–	8,059
Total restricted funds	167,141	462,169	(452,181)	–	177,129
Unrestricted funds:					
Designated funds:					
Early Years Deprivation Supplement	112,044	58,191	(2,347)	(167,888)	–
Repairs and maintenance	46,000	–	–	(46,000)	–
Fixed Asset Fund	28,944	–	(12,863)	(16,081)	–
Family Support Fund	–	–	–	1,000	1,000
Nursery Support Fund	–	–	–	25,071	25,071
Total designated funds	186,988	58,191	(15,210)	(203,898)	26,071
General funds	641,760	2,139,963	(2,073,370)	203,898	912,251
Total unrestricted funds	828,748	2,198,154	(2,088,580)	–	938,322
Total funds	995,889	2,660,323	(2,540,761)	–	1,115,451

14 Movements in funds (continued)

Purposes of restricted funds

Special Educational Needs

These funds are used to provide additional support for children in the Nursery with special education needs.

Family Support

The Family Support fund represents funds from the London Borough of Southwark to help run Family Support and Training services at 1st Place Children and Parents' Centre.

Lorrimore fund

These funds were used to provide initial support for the new Nursery at Lorrimore Square which opened in November 2015. The balance represents the net book value of the capitalised improvements works.

EYPP

These are funds received for the Early Years Pupil Premium (EYPP) to support disadvantaged children in the Nursery. During the year, the conditions attached to these funds were updated by Southwark Council, requiring the funds to be recognised as restricted.

Alexandra Rose Grant

For distribution of Alexandra Rose Charity Fruit & Veg vouchers during the next year to local families in need.

Erasmus EU Funding

These funds are for educational visits to participating EU countries to aid development of future leaders and leadership skills among existing staff. Due to covid-19, the trips in 2020 were cancelled and so expenditure relating to these has been written back to the fund but the remaining funding will be used for future planned visits.

Purposes of designated funds

The **Early Years Deprivation Supplement** is given to nurseries to help young learners from disadvantaged areas receive the best start to their education. The Trustee Board have decided to designate this funding for education activities or similar that are not mandatory OFSTED requirements.

The **repairs and maintenance fund** has been approved by the Trustee Board for the purpose of essential maintenance works required at Chumleigh Gardens, and at Lorrimore Square following the feedback from prospective parents. Within this fund is also designated costs for an essential infrastructure upgrade to the IT systems, and expected recruitment costs for the following year.

The **Fixed asset fund** represents the Charity's holding of fixed assets. Fixed assets are considered to be not easily realisable and, in accordance with the SORP, should not be represented by free general funds. The fund balance carried forward is equal to the net book value of the fixed assets which have been purchased by unrestricted funds.

The **Family Support Fund** is there to support families who encounter short term crises and do not have the available funds to address a short term need for example support to move home when being re-housed at short notice, or a family with no recourse to public funds whose main source of income is lost due to short term illness or hospitalisation.

The **Nursery Support Fund** has been created to support nursery families whose circumstances have changed, creating short-term financial pressure affecting their ability to maintain their child's attendance at a 1st Place nursery, or that family income in the short term will not cover the amount of hours their child needs to attend in order for parents/carers to work or study.

Notes to the financial statements

For the year ended 31 March 2022

15 Reconciliation of net income to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	119,378	119,562
Depreciation charges	22,132	16,547
Dividends, interest and rent from investments	(362)	(206)
Decrease/(increase) in debtors	217,018	(264,043)
Increase in creditors	10,870	75,004
Net cash provided by operating activities	369,036	(53,136)

16 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2022 £	2021 £	Equipment 2022 £	2021 £
Less than one year	26,000	39,533	–	25,412
One to five years	64,000	96,800	–	–
Over five years	58,667	88,733	–	–
	148,667	225,067	–	25,412

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

1ST PLACE CHILDREN AND PARENTS' CENTRE LTD

England & Wales - Charity number 1120124

Accounts

Company number: 05424738

Charity number: 1120124

1st Place Children and Parents' Centre Ltd.

Report and financial statements

For the year ended 31 March 2021

Contents

For the year ended 31 March 2021

Reference and administrative information	1
Chair of Trustees' report	3
Trustees' annual report	5
Independent auditor's report	20
Statement of financial activities (incorporating an income and expenditure account)	24
Balance sheet	25
Statement of cash flows	26
Notes to the financial statements	27

Reference and administrative information

For the year ended 31 March 2021

Company number 05424738

Country of incorporation United Kingdom

Charity number 1120124

Country of registration England & Wales

Registered office and operational address 12 Chumleigh Street
LONDON
SE5 0RN

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Karen Walker Chair (Appointed 2019)
Philip Wilkins Treasurer
Ben Asmah
Heba Ayoub – Appointed December 2020
Symon Bacon – Appointed December 2020
Ana Brito – Resigned November 2020
Douglas Buist
Lucy Brazener
Alan Dallas
Ruth Francis – Appointed December 2020
Lucy Grove – Appointed December 2020
Anna Hessenbruch
Anna Jenkins – Resigned August 2020
Nigel Lloyd
Darren Mason
Raquel Manana – Resigned January 2021
Catherine McKenzie – Resigned November 2020
Heather Munn
Wenli Tsai – Appointed December 2020

Key management personnel Nicola Howard Director and Company Secretary

Bankers Barclays
1–3 Butterfly Walk
Camberwell
London
SE5 8RW

1st Place Children and Parents' Centre Ltd.

Reference and administrative information

For the year ended 31 March 2021

Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane LONDON EC1Y 0TL
----------------	--

Chair of the Trustees' report

For the year ended 31 March 2021

Chair of the Trustees' Report

"This is the time to be slow, Lie low to the wall
Until the bitter weather passes.
Try, as best you can, not to let the wire brush of doubt
Scrape from your heart all sense of yourself
And your hesitant light.
If you remain generous, time will come good;
And you will find your feet again on fresh pastures of promise,
Where the air will be kind and blushed with beginning."

John O'Donoghue (1956 – 2008)

Welcome to the latest Annual Report of 1st Place. It has certainly been a momentous year and not in the way that we would have wished. As we now slowly emerge from a third and substantially longer lockdown (with the sincere hope that it is our last), I came across this poem by John O'Donoghue which seemed a fair reflection of our past 12 months.

1st Place entered a very difficult year, weathering the uncertainty and chaos of the pandemic while doing our best to continue delivering much needed services within the constraints of ever changing Government guidance. As always, the priority was our families, particularly those at risk of becoming more vulnerable and socially isolated during the difficult circumstances of COVID-19. Quickly adapting established ways of working and shifting face-to-face services online posed many challenges. I am proud to say that our team excelled, fully embracing the virtual world to enable our families to continue accessing support, advice and play/learning activities. However, this did shine a spotlight on the levels of digital inequality in existence, which need to be addressed within our wider community.

Although day-to-day service looked a little different, it still continued and alongside this, additional offerings in response to the new needs of families within our locality and beyond. Our Chumleigh Gardens site became an emergency base for support, we worked with our partners at Pembroke House to distribute food parcels, we hosted a central COVID-19 information resource on our website and compiled and distributed family activity packs. The continued success of the Rose Vouchers for Fruit and Veg Project throughout the lockdown period also saw the distribution of 135,479 vouchers in Southwark, more than the combined work of all the projects nationally. 1st Place truly was a beacon of light in the darkest days of COVID-19.

Throughout this time, our staff have shown a steadfast commitment to our families, even though many faced their own personal challenges. With the diligent and supportive leadership of our Director, Nicki, our staff ensured that our children were healthy, supported and continued to thrive. We could not have asked for more and our families have been quick to show appreciation of their efforts.

With site closures and changing family circumstances affecting nursery attendance, there has inevitably been a financial impact from COVID-19. We were, however, keen to support our families

Chair of the Trustees' report

For the year ended 31 March 2021

and suspended fees for existing nursery children during the first lockdown thanks to our financial reserves. Many thanks to our trustees who continued to help keep the cogs turning.

Although the effects of this pandemic will undoubtedly still be felt over many years to come, we remain determined to move forwards. As we look to the future and the 'fresh pastures of promise' that this new world will bring, I am ever confident that 1st Place will not only survive, but thrive.

Best wishes

Karen Walker

Chairperson, Board of Trustees

Trustees' annual report

For the year ended 31 March 2021

The Trustees (who act as directors of the Charity for the purposes of the Companies Act) submit their annual report and the financial statements of 1st Place Children and Parents' Centre for the year ended 31 March 2021.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association, the requirements of a director's report as required under company law, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure that the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

1st Place is comprised of a purpose-built Children and Parents' Centre, with a number of additional sites providing early education and family support. It achieved charitable status in 2007 and has worked with the following aims:

1st Place shall be for the benefit of the residents in the London Borough of Southwark in particular families with young children, by:

1. Advancing the education of the residents through the provision of training and childcare facilities;
2. The provision of advice, support and guidance on issues relating to childcare, parenting, education, health and the environment;
3. The provision and maintenance of a family centre;
4. Encouraging the study of the needs of children and families in the (local area) and promoting public interest in and recognition of these needs; and
5. The promotion of environmental education and awareness.

How we work to achieve these objectives

1st Place achieves these objectives through the provision of;

- Innovative, high quality early learning experiences for young children;
- Training, volunteering and employment opportunities for local parents and other residents;
- Support for the regeneration of the local community in order to contribute to long-term social and economic stability.

Trustees' annual report

For the year ended 31 March 2021

1st Place Children and Parents' Centre also aims to nurture a community culture that celebrates diversity; a culture that models respect and support for young children and families as well as caring for the environment. 1st Place aims to support the ongoing growth and development of individuals and groups within the local community.

Our Aims

Since our inception in 2005, 1st Place's aims have focused on the locally identified needs of children and families. 1st Place objectives also support Southwark Children & Adult Services to deliver services and support within the Families Matter agenda and the achievement of the corporate priorities for Southwark's Children and Families' Trust's Children & Young People's Plan.

The Board of Trustees, the Director and senior managers have continued to develop the strategic direction of 1st Place and to action priority areas identified at the start of the year.

Our areas of focus are:

- Enabling Children to Achieve their Potential.
- Customer & Community Focussed.
- High Performing Teams.
- Financial Sustainability.

Our partners during 2020/21

- University College of Osteopathy
- Bede House
- Homestart Southwark
- National Children's Bureau
- Place2Be
- Friends of Burgess Park
- Learning Unlimited
- GSTT Speech & Language Therapy
- Creation Trust
- Community Southwark
- Solace Women's Aid
- Ripe Learning
- GSTT Midwifery
- South London & Maudsley Parental Mental Health Service
- St Paul's Church Lorrimore Square
- Coin Street
- The Alexandra Rose Charity
- Guys & St Thomas Charitable Trust (GSST)
- GSST Community Nutritionist

- Elm House
- Cambridge House & Talbot
- Evelina London Health Visitors

Achievements and performance

2020–2021 has undoubtedly been an unprecedented year of challenge with a global pandemic that has touched the lives of everyone and tested us all. Amongst the chaos and uncertainty of the COVID–19 crisis, 1st Place continued to deliver its services in the most challenging of circumstances.

To accommodate COVID–19 restrictions, we quickly adapted the delivery of our services and adopted different ways to sustain regular contact with our service users. The whole team rose to the challenge of learning how to manage new technology, maintain partnerships and working relationships while working remotely and through furlough. Keeping in touch with children and their families during two periods of lockdown also called on the skills of the team to adapt to individual needs. From concerns for personal health as COVID–19 infection rates increased, to the increase of food insecurity, child development concerns, mental health and social isolation, the willingness of parents to work with us and try new things was testament to the skills of the team in building trusting, supportive relationships. We would never have imagined a Stay and Play session could work using video conferencing software, but as we reach the end of a year living with COVID–19, it has become very much part of our day-to-day work. However, although technology played an important role in this, it highlighted the levels of digital inequality within our community, which COVID–19 brought to the fore.

The need to respond quickly to the needs of families in our community highlighted the importance of our partnerships, especially those within the local community and voluntary sector. Our ability to respond quickly meant that in some instances, we were developing or leading the coordination of resources or services within our locality and the wider borough.

At the heart of this were our staff who put the needs of our families first so that we could continue to operate at a time when we were needed the most. We are indebted to our staff, our families and our partners for their unwavering support and commitment to 1st Place over the past year.

Early Education

During this exceptional year, 268 children attended our full day care and 132 children attended our sessional provision. 44 children with identified needs attended our nurseries, with 4 having an Education, Health and Care Plan (EHCP) in place before they went to school. We have made a commitment to increase the number of staff who work exclusively to support children with SEND, and there are now four staff working across three sites.

During the first lockdown, our Chumleigh Gardens site remained open, providing nursery places for children of key workers from all our sites as well as some families whose regular nurseries had closed. Around 20 children attended the nursery during this period.

During the pandemic, in line with Government guidance, we implemented a range of measures to protect our children, families and staff and to minimise the risk of COVID-19. This included changes to drop off and pick up procedures at all of our nursery sites to maintain social distancing. We also regularly reviewed COVID-19 risk assessments and procedures in line with the regular updates from the Department for Education and Public Health England.

Children returned on a phased basis from 1 June 2020, with the majority having returned by the end of July. Term-time only children re-joined in September. We introduced 'bubbles' in all our nursery groups and this enabled us to isolate any cases of COVID-19 and positive tests were reported to Ofsted and Southwark Public Health who both advised on the isolation and notification of those who may be affected. Throughout the COVID-19 crisis, both 1st Place employees and families were immensely supportive and encouraging. Nursery parents contacted us with positive feedback and requests for how they could show their support and appreciation for nursery staff.

Although the second lockdown did not affect our ability to open all of our sites fully, the changing circumstances of existing and prospective families had an impact on nursery occupancy including deferred start dates and some withdrawals due to changes in family circumstances.

In December 2020, we welcomed a new Atelierista at our Cambridge House site who will continue to develop capacity on our other sites. To make a connection with the children and encourage them to explore and discover the new studio space, the Atelierista developed a series of different projects linked to our children's interests and discussions with their adults. This included impermanence, light and transparency, and night and day.

Unfortunately, due to COVID-19, we were unable to mark the significant points in the year for our children and their families. The 'graduation' events for children leaving to go to school in September 2020 were held virtually, and our traditional Christmas celebrations were limited to children within in their respective bubbles, with the Blue Elephant Theatre performing special shows for the children on site. The Family Services team provided additional Christmas packs, which were delivered to family homes in the weeks before Christmas.

The COVID-19 pandemic has resulted in our planned Erasmus+ visit to Riga, Latvia in May 2020 being postponed, and with ongoing travel limitations this may be cancelled. Our application for a second round of Erasmus+ funding in 2020 was successful and will enable staff to undertake training in Iceland, Poland and Italy, but until the COVID-19 travel restrictions are eased, it will not be possible to know when this will be.

Supporting our Families through Children and Family Centre Services

Over the past year, we continued to provide services through our Children and Family Centre, both through one to one family support, targeted specialist services such as speech and language therapy and nutrition and dietetics, as well a variety of services such as art and crafts, and storytelling sessions.

In April 2020, we took the decision to move the Family Services team to our smaller Children and Family Centre site at Victory Primary school, creating a team 'bubble' and reducing the number of adults at the Chumleigh Gardens site. Our Community Family Workers maintained regular contact with families by telephone and video conferencing.

During COVID-19, the focus was on the wellbeing of children, making sure that they were healthy and continuing to thrive during the difficult circumstances. We wanted to ensure that children and their parents were not socially isolated, and as we settled into lockdown, that they were encouraged to leave their homes safely. However, the pandemic posed a number of challenges particularly around the delivery of our services, the majority of which are delivered face-to-face.

During lockdown, we delivered a range of virtual play learning sessions on a one-to-one basis and in small groups, and produced a number of short videos including rhyme time. We also led on the compilation and distribution of play and activity packs for families across the London Borough of Southwark.

As lockdown eased, we delivered more face-to-face sessions. Our Community Family Workers were able to meet for one-to-one sessions with families particularly those who have limited access to IT and data. These sessions took place at Victory Children and Family Centre, as part of doorstep home visits and meetings or walks in outdoor spaces such as the local park. They provided an opportunity for our Community Family Workers to see the children regularly and to check their wellbeing as well as the wellbeing of their parents/carers.

Many families, often with older children were supporting their access to the school curriculum from a single smart phone with limited data. Joining Children and Family Centre activities was often not the priority. To support this, we purchased low cost tablets and applied for grants to give families access to laptops and home Wi-Fi. However, COVID-19 highlighted the levels of digital inequality, which cannot be addressed simply through the provision of IT hardware.

Keen to further extend our support, we developed and hosted a central COVID-19 information resource on our website for families with children under five from across the borough. This included links to advice, support, guidance and wellbeing as well as activities for under 5's.

As the second lockdown came into force in December, we distributed a second wave of activity packs to families receiving Universal + and Universal ++ support, as well as all families with children under one.

To ensure that the locality teams were supporting each other and continuing to develop services, two virtual Children and Family Centre Whole Team Service days were held online. The Children and Family Centre hubs have been working together to review our work with families in the context of Black Lives Matter with a view to changing existing systems and resources. In response to feedback from staff and service users, this has focused on resources, recruitment and staff support, staff training, training for parents, and data. This work continues.

Partnerships

Our partnerships with statutory and voluntary sector organisations have continued to be invaluable and have enabled us to quickly adapt and deliver our much needed services in difficult circumstances.

Our Chumleigh Gardens site acted as a base for emergency support within the Borough, Bankside & Walworth locality with services coordinated by Southwark Council and other voluntary groups. In partnership with Pembroke House, we distributed emergency food parcels on a weekly basis to 60 of the families that we work with. Families also received cooked food deliveries once a week via the community kitchen at Southwark Tigers Rugby Club.

This work continues through the food insecurity scheme run by Pembroke House and as members of the Southwark Food Action Alliance, we are helping to develop an ongoing food insecurity plan.

In spite of the challenges posed by the pandemic, we are proud to have maintained and developed the Rose Vouchers for Fruit & Veg Project in partnership with the Alexandra Rose Charity. Apart from a short time when East Street Market was closed, the project continued throughout the lockdown period. Over the past year, we have supported 298 new families, with a total of 652 benefitting from the scheme which helps them to eat healthier. This year, 1st Place distributed 135,479 vouchers in Southwark, more than the combined work of all the projects nationally.

In response to the increase in food insecurity during the pandemic, our funder Guys & St Thomas' Charitable Trust agreed to extend registration to the scheme to any family receiving one-to-one support through Southwark Children and Family Centres. With market traders in Peckham now registered to accept Rose Vouchers, families in the south of the borough also have less distance to travel to redeem them. Due to the impact of COVID-19, the project has been extended until the end of 2022, with the aim that 1,000 families will be registered.

More volunteers are being trained and new partnerships with Pembroke House and Draper Together are joining those already established with PACT and St Giles Trust.

Customer & Community Focused

During the period of lockdown over the last year, maintaining regular contact with families was a priority. With daily information from Public Health England and the Department for Education, the need to keep service users and staff up to date was paramount.

At the start of the pandemic, we issued weekly e-mail updates and urgent notifications to nursery families using the Blossom Educational app. This proved invaluable and we have continued this format with the intention of supplementing updates with articles on pedagogy and the documentation of children's projects.

During the first lockdown, each nursery ran weekly Zoom sessions so that children could stay in touch with their Key Person. Videos of children's activities that could be done at home (such as yoga and arts and crafts) were also produced and published on the 1st Place YouTube channel for families.

We also worked with Southwark Council and Pembroke House to produce several short films to encourage families to take children outside to play, as well as to return to school and nursery. These were shared through a number of channels such as The Hub page on the 1st Place website as well as the Southwark Children and Family Centres YouTube channel.

Virtual Parents' Forums were introduced and have continued to be held on a monthly basis with a focus on specific themes such as the Reggio Emilia approach and maths in early years. Live virtual tours as well as a video of each site were also introduced, and a new prospectus to continue to attract new families, along with a socially distanced open day at our Lorrimore Square nursery in October.

In November 2020, our annual 'We Are 1st Place' event was held online and was well attended by partners and families. This event saw the launch of our new 1st Place film and Impact Report, and a speech by our partner Bede House.

To inform and reassure staff during the COVID-19 crisis, e-mail updates were sent on a weekly basis. This has continued and has been extended to include general non-COVID-19 news. 'Working Safely Together' guidance was also produced outlining measures that were implemented to manage the risk of the virus. The move to virtual all staff forums has proven popular, making it easier to bring together colleagues from all sites and therefore increasing attendance. These forums have provided an opportunity for staff and trustees to meet and chat on an informal basis.

High Performing Teams

Staff wellbeing has continued to be a priority. Although a number of staff had COVID-19 symptoms to varying levels of severity, thankfully, no one has been admitted to hospital. While we registered for staff to be tested, symptomatic staff were able to access the test centre in the Burgess Park. Rapid flow tests were introduced on our Chumleigh Gardens site in March 2020 with home testing kits also made available to staff.

While the COVID-19 pandemic has affected the lives of the whole staff team, the effects of the murder of George Floyd in the USA and the resulting Black Lives Matter protests had a significant impact on our team, of which over 50% are of non-white European heritage. In response to Black Lives Matter and to create meaningful change at 1st Place, a 'Tackling Racism at 1st Place' survey was launched. Staff, volunteers and trustees shared their views on their experiences of racism, 1st Place's response to racism and where we needed to make improvements. This was shared with both staff and Trustees, and the actions resulting from the findings and discussion will form part of the future three-year strategy.

At the end of September 2020, a Black Lives Matter group consisting of staff from across all teams and levels was established. The group have been meeting on a weekly basis, providing a safe space

Trustees' annual report

For the year ended 31 March 2021

for staff and Trustees to start a conversation, share their experience, learn from others and debate about what Black Lives Matter means at 1st Place, to our team and our service users. As part of our ongoing commitment, the group will be helping to develop a 1st Place Mission Statement and Equity, Diversity and Inclusion (EDI) Charter. Equity, Diversity and Inclusion leads for each department will be recruited and trained, and will play a lead role in the induction of staff and raising EDI matters at leadership and Board level.

During the lockdown period, staff on site were offered free lunch to reduce the need to be off site at break times. We also made changes to the staff rooms on each site including the introduction of shiatsu massage chairs. Perkbox (our staff discount scheme) was also adapted to reflect the changing needs of staff during COVID-19 including access to counselling sessions.

To further support the health of our staff and families during the COVID-19 crisis, we offered flu vaccinations on site in November 2020, and surplus vaccinations were offered to nursery parents. It is planned to make this an annual offer to both staff and parents to provide ease of access to appointments and improve immunity within our immediate community.

Results from a Staff Wellbeing Survey showed that staff felt well-informed and well connected to their team, knew what was expected of them and where to get support at 1st Place. Understandably, their main concerns were about exposure to COVID-19 and the health and wellbeing of loved ones.

Staff pay continued to be a focus for Trustees and senior managers. A full salary benchmarking exercise was undertaken through the engagement of an external company and a more comprehensive Remuneration Policy has been developed including reference to staff benefits. We are investigating the provision of additional benefits such as Death in Service.

We have reviewed our organisational structure including reducing the number of direct reports for line managers and allocating line management within both the Family Services and Business teams. This has freed the Director's time to focus on external partnerships and fundraising.

Financial Sustainability

Unsurprisingly, the COVID-19 pandemic has had a financial impact on 1st Place. To support our families during this challenging period, we used our financial reserves to suspend fees for existing nursery children during lockdown. As the first lockdown was announced, with the need to close all but two of our nurseries, the anticipated monthly loss of income was £100k. With the introduction of the Coronavirus Job Retention Scheme, £60k of this loss was mitigated. However, due to a proportion of our activity being funded through Government grants, not all staff were able to be furloughed. Like many charities and businesses, we had insurance cover in place to cover interruption of business, including those caused by contagious diseases. Over the last year, there have been legal challenges and High Court decisions relating to claims and we were in long and protracted negotiations with our insurers regarding compensation.

As the nurseries returned in June 2020, following the easing of restrictions, the closure of nursery bubbles due to self-isolation and the changing circumstances of existing and prospective families had a knock-on effect on nursery attendance. As a result, we took the decision to implement a clause in our nursery contract where the impact was shared. Parents paid for one week of the self-isolation period and no charge was made for the second. In addition to this, we offered additional support to staff, regardless of their roles. Government guidance stipulated sick leave to be taken during periods of self-isolation, but 1st Place staff were required to work one week from home, and only take the second week as sick leave. Any staff who had used their company sick pay were able to take annual leave.

Over the past year, there has been a focus on working more closely with senior managers to regularly review management accounts and to further develop their financial management skills. The Senior Management Team have also had a more active role in the budget setting process. There has been particular attention on staffing within all teams, ensuring that we are allocating staff as accurately as possible so that staff can work across more than one site post-COVID-19. We are also reviewing systems and investigating ways of integrating invoicing with nursery management software.

The Children and Family Centre budget has been reviewed in advance of the new commissioning period. With no increase in the budget allocation since 2016, the funding is becoming increasingly tight, and with the core offer associated with the agreement yet to be shared, how the funds are deployed is likely to change.

Lockdown presented the Facilities team with periods of time where there were fewer people on site, and this enabled a number of repairs and improvements to be undertaken on our sites. This included repainting the community spaces at the Chumleigh Gardens site, a re-fit of the Sensory Room, a new alarm system and the installation of a new play equipment.

Principal funding

The continuing growth and success of 1st Place this year has been facilitated by consistent funding and we would particularly like to acknowledge Southwark Children and Adult Services for the allocation of Children and Family Centre funding, the Free Early Education Entitlement and Free Early Education Offer. As ever, the continued commitment of local parents to our nursery, and of local services and groups for our room hire, is crucial to the continuation of our services.

Investment policy and performance

1st Place banking arrangements are held with Barclays Bank. Funds are held between a deposit account and a current account. There are no bank/savings accounts currently available that would generate any significant interest income.

Financial review

Paramount to a strong charitable enterprise is sound business practice ensuring strong reserves capacity. Last Year, ending 31 March 2020, broke from a run of 3 years of continuous strong financial performance. We recognised the principal reasons as being a substantial increase in pay rates at all levels in that year, which had been a strategic planned action to reward our staff.

We expected this past year ending 31 March 2021, to see a return to strong financial performance as we had increased nursery fees and regained controls over occupancy.

But no-one, and certainly not ourselves, could have anticipated the major disruption to every aspect of our business caused by the Covid-19 pandemic. I alluded to this in my last year's Finance Review by which time the most disrupted period of April & May 2021 had passed and no further lockdowns of pre-school nursery provision were activated by Government.

However, as a result of a combination of factors, parents working from home, parents out of work or parents not covered by the Government's many financial support programmes, our Occupancy levels were significantly below normal.

It is to the great credit of our staff led by Nicki Howard and her Senior Management Team, that they adapted at very short notice to the various changes in regulations and thereby minimised the losses in what could have been a very damaging year.

The initial overall financial outcome was that our General & Designated Reserves were reduced by £(74,458) to £754,290 and our Restricted Reserves were reduced by £(51,548) to £115,593. In comparison to many other charities in our sector, this was still a strong position and equates to 4.3 months cover of Expenses relating to General Funds activities and 2.7 months cover for Restricted Funds activities. Overall we closed the year with Total Funds representing 4.0 months cover of Expenses, which is in line with good charity governance practice.

As mentioned in last year's Finance Review, we continued to pursue a claim under our Business Interruption Insurance policy. This has been a very drawn-out process because neither the Insurers nor the Insured, had truly anticipated the impact of a global pandemic. Initially our insurers took a very rigid, hard line approach and decided that we didn't meet the very narrow criteria for a successful claim.

However, we submitted a formal complaint to them and also via the Finance Ombudsman Service. In September 2020 the Financial Conduct Authority became involved on behalf of insured companies and after lengthy court proceedings and a successful appeal against certain decisions not to pay, insurers were obliged to reconsider early decisions and in some cases accept lower levels of proof of claim.

1st Place's scenario fell into this category and we resubmitted our claim. Since the year end we have been informed that we have been successful in this claim. The related claim income of £245,568 has

now been included within the financial statements as seen in note 3 as other income and note 11 as accrued income.

Following this, the overall financial outcome was that our General & Designated Reserves were increased by £109,574 to £938,322 and our Restricted Reserves were increased by £9,988 to £177,129. This now equates to 5.4 months cover of Expenses relating to General Funds activities and 2.9 months cover for Restricted Funds activities. Overall we closed the year with Total Funds representing 5.3 months cover of Expenses.

Reserves Policy

The 1st Place Reserves Policy is to maintain total free reserves, excluding the element which relates to tangible fixed assets, at a level which is no less than approximately three month's operating costs. This policy provides the ability to cope with unforeseen expenditure of both a capital and an expenditure nature, and with interruptions in income flows. 1st Place has focussed on building adequate reserves over the last eleven years, while within the sector there had been a shift towards risk based reserves policies. However no one could have foreseen the impact of a global pandemic on both commercial as well as not for profit sectors, and never has the need to maintain adequate reserves been more apparent. While the support received through the Coronavirus Job Retention Scheme has been of immense support during the last year, we would not have maintained the level of operations during this time without reserves to support us.

The Reserves Policy is reviewed and amended annually by the Board of Trustees.

Free reserves at 31 March 2021 were £912k, an increase of £271k on 31 March 2020. This is equal to 5.2 months of total expenditure and so above the targeted level set by the Board of Trustees.

Fundraising

1st Place Children and Parents' Centre Ltd does not engage in large scale public fundraising and does not use professional fundraisers or commercial participators. Nevertheless, the charity observes and complies with the relevant fundraising regulations and codes. During the year, there was no non-compliance of these regulations and codes and the Foundation received no complaints relating to its fundraising practice.

Plans for the future

Over the next year, we will:

- Review our Vision, Mission and values to ensure that they are fit for purpose.
- Explore and develop the role and impact of 1st Place within the local and wider community.
- Review and develop our Family Support Service and Early Education offer to ensure that it fulfils the needs of local children and their families.
- Nurture our existing partnerships and pursue new opportunities that will enable us to expand our services and overall reach.

Trustees' annual report

For the year ended 31 March 2021

- Develop and diversify our income streams, proactively exploring opportunities so that we can invest in growth.
- Continue ensuring that 1st Place is the best place to work with a particular focus on staff wellbeing.
- Fulfil our commitment of 1st Place being an organisation where equity, inclusion and opportunity is a reality for everyone.

Structure, governance and management

1st Place Children and Parents' Centre is a registered charity and company limited by guarantee with no share capital. The liability of Trustees in the event of insolvent liquidation is limited to £1 each. The members of the Board of Trustees are appointed by members of the Board. Day-to-day management of the Charity is delegated to the Director who is responsible for other staff. The Board of Trustees meet regularly, with four sub-committees (Early Education, Finance & General Purposes, Human Resources and Safeguarding) overseeing the operational activities of the organisation. The Full Board meets quarterly to approve the business undertaken in the sub-committees. Additional working groups convene as and when required. Trustees are given appropriate induction, upon appointment, and ongoing training as required in order to assist them in fulfilling their role.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 6 to the accounts.

Remuneration Policy

We recognise the importance of being transparent and accountable in all aspects of our work, including how we reward and recognise our staff. We are working towards paying the London Living Wage (or becoming an accredited Living Wage Employer). The London Living Wage is an hourly rate set independently and updated annually, based on the cost of living in London.

1st Place 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. In deciding on levels of pay, the following factors are taken into account:

1. The mission, aims, objectives and values of 1st Place.
2. How any decisions might impact on the overall pay policy for all staff.
3. The type of skills, experience, competences etc. that our organisation needs.
4. A significant increase in responsibilities for a member of staff, or major change in job description.
5. Our current strategic business plan and how this might affect future needs.
6. Our ability to pay. It is our aspiration to pay a cost of living increase each year to all staff.
7. Regular benchmarking of salaries relative to pay levels in other charities in the sector of similar size, budgets and responsibilities, using independent external information.

8. Our track record in recruiting and retaining high-performing staff.
9. The likely impact of any decision on our public reputation, especially amongst our service users and stakeholders.

Performance Management

We have a performance management and appraisal policy that:

- Promotes a consistent approach to workforce supervision throughout 1st Place.
- Ensures that supervision is geared to achieving the organisation's objectives.
- Enhances the quality of workforce performance.
- Addresses the personal impact of work on all 1st Place's staff, volunteers, interns and trainees.

Risk Assessment

The Board of Trustees regularly review and assess the risks faced by 1st Place in all areas of its work, and plan for the management of those risks. The management ensure that all plans and decisions take into account the possibility of negative outcomes. There is a Risk Register which is compiled and monitored monthly by the Finance & General Purposes (F&GP) sub-committee, reported on quarterly at meetings of the Full Board and reviewed annually in order to ensure that the material risks to which the charity is exposed are properly evaluated and managed.

Appropriate mitigating actions are implemented by the Director and senior management team to address the residual risks, mitigating them to a level the Trustees considers acceptable.

The Board of Trustees recognises that, to achieve the objectives of the charity, the nature of some of 1st Place work requires acceptance of some risks that are outside our control, that is, risks which cannot be eliminated, so where this happens there is active and clear monitoring of the risk. The Facilities Manager will carry out a risk assessment when any risk is identified.

The Risk Register working group reporting to F&GP sub-committee are working with the senior management to solidify the appropriate systems and controls to monitor, manage and mitigate exposure to risks. The Operations manager attended training in relation to risk identification and management within the charitable sector to further inform the work of this group.

Principle risks and uncertainties are assessed for impact and likelihood. The highest risk areas have been identified as follows:

- On-going impact of COVID-19, in light of closures of education provision during periods of lockdown, resulting in periods of closure at two of our nurseries. The need to remain in state of preparedness to mitigate issues that may affect capacity and staffing will be essential along with continuation of testing and promotion of vaccine update with staff and service users.
- Failure to generate sufficient income – Regular monitoring of occupancy using latest nursery management software so that trends can be identified and forward planning by term is effective so that waiting lists can be maintained. Performance as Children and Family Centre maintained at a high levels so that funding continues. Ensuring that standards are maintained with Ofsted at

Trustees' annual report

For the year ended 31 March 2021

Good or Outstanding through investment in recruitment of well qualified staff and investment in ongoing CPD.

- Failure to effectively manage budget and liquidity – Close monitoring monthly and quarterly of income and expenditure at an operational and strategic level by managers and Trustees. Budgets reviewed by Treasurer, Director and Finance Manager to ensure they are realistic and achievable, with reforecasting as necessary.

Statement of responsibilities of the trustees

The Board of Trustees is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees, who are also the charitable company's directors, to prepare financial statements for each financial year. Under that law, the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 charity and of the income and expenditure of the charity for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on a going concern basis (unless it is inappropriate to presume that the charity will continue in operation); and observe the methods and principles of the Charities SORP.

The Board of Trustees has overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. They are also responsible for keeping adequate accounting records, which disclose with reasonable accuracy, are sufficient to show and explain the charity's transactions and the financial position of the charity at any time, and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the detection and prevention of fraud and other irregularities.

Statement of disclosure of information to auditors

We, as the directors of the charitable company who held office at the date of approval of these financial statements as set out on page one, each confirm, so far as we are aware, that:

- There is no relevant audit information of which the charitable company's auditors are unaware.
- We have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Preparation of this report

This report has been prepared taking advantage of the small companies exemption of section 415A of the Companies Act 2006.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

Approved by the trustees on 4 November 2021 and signed on their behalf by

Karen Walker
Chair

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

Opinion

We have audited the financial statements of 1st Place Children and Parents Centre (the 'charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 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
- 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 1st Place Children and Parents Centre's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

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' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; 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; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

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 are set out below.

Capability of the audit in detecting irregularities

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

- We enquired of management, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - 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 related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.

Independent auditor's report

To the members of

1st Place Children and Parents' Centre Ltd.

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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. This 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: 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the 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.

Noelia Serrano (Senior statutory auditor)

11 November 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

1st Place Children and Parents' Centre Ltd.

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	General £	Designated £	Restricted £	2021 Total £	General £	Designated £	Restricted £	2020 Total £
Income from:									
Donations and legacies		3,717	–	–	3,717	20,607	–	–	20,607
Charitable activities									
Children's Centre Services	2a	1,404	–	454,049	455,453	11,940	–	434,583	446,523
Chumleigh Nursery	2a	675,081	18,663	6,366	700,110	819,183	18,026	3,837	841,046
Cambridge House Nursery	2a	671,310	17,430	682	689,422	795,786	16,405	396	812,587
Lorrimore Nursery	2a	376,210	22,098	1,072	399,380	532,078	20,124	19,881	572,083
Investments		206	–	–	206	695	–	–	695
Other	3	412,035	–	–	412,035	10,535	–	–	10,535
Total income		2,139,963	58,191	462,169	2,660,323	2,190,824	54,555	458,697	2,704,076
Expenditure on:									
Raising funds	4	10,757	–	–	10,757	12,683	–	–	12,683
Charitable activities									
Children's Centre Services	4	–	–	432,076	432,076	–	–	464,537	464,537
Chumleigh Nursery	4	731,031	10,079	3,001	744,111	793,458	9,694	11,936	815,088
Cambridge House Nursery	4	766,270	2,904	3,564	772,738	793,950	3,416	10,816	808,182
Lorrimore Nursery	4	565,312	2,227	13,540	581,079	603,758	4,823	34,137	642,718
Total expenditure		2,073,370	15,210	452,181	2,540,761	2,203,849	17,933	521,426	2,743,208
Net income / (expenditure) for the year		66,593	42,981	9,988	119,562	(13,025)	36,622	(62,729)	(39,132)
Transfers between funds		203,898	(203,898)	–	–	(21,939)	21,939	–	–
Net movement in funds		270,491	(160,917)	9,988	119,562	(34,964)	58,561	(62,729)	(39,132)
Reconciliation of funds:									
Total funds brought forward		641,760	186,988	167,141	995,889	676,724	128,427	229,870	1,035,021
Total funds carried forward		912,251	26,071	177,129	1,115,451	641,760	186,988	167,141	995,889

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 14 to the financial statements.

Balance sheet

Company no. 05424738

As at 31 March 2021

	Note	£	2021 £	£	2020 £
Fixed assets:					
Tangible assets	10		39,203		31,852
			39,203		31,852
Current assets:					
Debtors	11	270,251		6,208	
Cash at bank and in hand		1,133,111		1,209,939	
		1,403,362		1,216,147	
Liabilities:					
Creditors: amounts falling due within one year	12	327,114		252,110	
Net current assets			1,076,248		964,037
Total net assets	13		1,115,451		995,889
The funds of the charity:	14				
Restricted income funds			177,129		167,141
Unrestricted income funds:					
Designated funds		26,071		186,988	
General funds		912,251		641,760	
Total unrestricted funds			938,322		828,748
Total charity funds			1,115,451		995,889

Approved by the trustees on 4 November 2021 and signed on their behalf by

Karen Walker
Chair

1st Place Children and Parents' Centre Ltd.

Statement of cash flows

For the year ended 31 March 2021

	Note	2021	2020
		£	£
Cash flows from operating activities	15		
Net cash provided by operating activities		(53,136)	(23,763)
Cash flows from investing activities:			
Dividends, interest and rents from investments		206	695
Purchase of fixed assets		(23,898)	(21,660)
Net cash used in investing activities		(23,692)	(20,965)
Change in cash and cash equivalents in the year		(76,828)	(44,728)
Cash and cash equivalents at the beginning of the year		1,209,939	1,254,668
Cash and cash equivalents at the end of the year		1,133,111	1,209,939

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies

a) Statutory information

1st Place Children and Parents' Centre Ltd is a charitable company limited by guarantee and is incorporated in the United Kingdom. The registered office address is 12 Chumleigh Street, London, SE5 0RN.

b) Basis of preparation

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

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees have specifically considered the impact of covid-19 on the charitable company's ability to continue as a going concern and does not consider this to be a source of material uncertainty.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

g) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies (continued)

h) Expenditure and irrecoverable VAT

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of the charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

i) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

● Cost of raising funds	2.0%
● Children's Centre Services	14.0%
● Chumleigh Nursery	27.0%
● Cambridge House Nursery	33.0%
● Lorrimore Nursery	24.0%

Governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

● Cost of raising funds	5.0%
● Children's Centre Services	10.0%
● Chumleigh Nursery	28.0%
● Cambridge House Nursery	28.0%
● Lorrimore Nursery	29.0%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

The Support costs allocation to cost of raising funds represents an apportionment of our Marketing Manager's salary & marketing spend related to that function. We intend to employ a Fundraiser and will therefore have directly attributable costs in the future

j) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies (continued)

k) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Where fixed assets have been revalued, any excess between the revalued amount and the historic cost of the asset will be shown as a revaluation reserve in the balance sheet.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Office equipment	25% straight line
● Fixtures & Fittings	25% straight line
● Computer equipment	33% straight line
● Computer software	33% straight line

l) Debtors

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

m) Cash at bank and in hand

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

n) Creditors and provisions

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

o) Financial instruments

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

p) Pensions

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

Notes to the financial statements

For the year ended 31 March 2021

2a Income from charitable activities

	Unrestricted £	Restricted £	2021 Total £	2020 Total £
LB of Southwark: Children's Centre	–	420,464	420,464	420,463
Alexandra Rose Charity Grant	–	33,585	33,585	14,120
Creche Fees	1,404	–	1,404	11,940
Sub-total for Children's Centre Services	1,404	454,049	455,453	446,523
LB of Southwark – free education entitlement	152,440	–	152,440	211,029
Nursery Fees	522,641	–	522,641	608,154
LB Southwark: Special Education Needs (SEN)	–	6,072	6,072	3,010
LB Southwark: Deprivation fund	18,663	–	18,663	18,026
Early Years Pupil Premium (EYPP) Grant	–	294	294	827
Sub-total for Chumleigh Nursery	693,744	6,366	700,110	841,046
LB of Southwark – free education entitlement	133,939	–	133,939	166,885
Nursery Fees	537,371	–	537,371	628,901
LB Southwark: Special Education Needs (SEN)	–	396	396	396
LB Southwark: Deprivation fund	17,430	–	17,430	16,405
EYPP Grant	–	286	286	–
Sub-total for Cambridge House Nursery	688,740	682	689,422	812,587
LB of Southwark – free education entitlement	190,633	–	190,633	189,619
Nursery Fees	185,577	–	185,577	342,459
LB Southwark: Special Education Needs (SEN)	–	396	396	19,165
LB Southwark: Deprivation fund	22,098	–	22,098	20,124
EYPP Grant	–	676	676	716
Sub-total for Lorrimore Nursery	398,308	1,072	399,380	572,083
Total income from charitable activities	1,782,196	462,169	2,244,365	2,672,239

Notes to the financial statements

For the year ended 31 March 2021

2b Income from charitable activities (prior year)

	Unrestricted £	Restricted £	2020 Total £	2019 Total £
LB of Southwark: Children's Centre	–	420,463	420,463	420,463
Alexandra Rose Charity Grant	–	14,120	14,120	–
Creche Fees	11,940	–	11,940	19,172
Sub-total for Children's Centre Services	11,940	434,583	446,523	439,635
LB of Southwark – free education entitlement	211,029	–	211,029	265,193
Nursery Fees	608,154	–	608,154	621,482
LB Southwark: Special Education Needs (SEN)	–	3,010	3,010	3,989
LB Southwark: Deprevation fund	18,026	–	18,026	18,028
Early Years Pupil Premium (EYPP) Grant	–	827	827	1,908
Erasmus EU funding	–	–	–	9,857
Sub-total for Chumleigh Nursery	837,209	3,837	841,046	920,457
LB of Southwark – free education entitlement	166,885	–	166,885	209,705
Nursery Fees	628,901	–	628,901	603,909
LB Southwark: Special Education Needs (SEN)	–	396	396	1,408
LB Southwark: Deprevation fund	16,405	–	16,405	13,579
EYPP Grant	–	–	–	199
Erasmus EU funding	–	–	–	9,857
Sub-total for Cambridge House Nursery	812,191	396	812,587	838,657
LB of Southwark – free education entitlement	189,619	–	189,619	201,817
Nursery Fees	342,459	–	342,459	342,250
LB of Southwark – refurbishment grant	–	–	–	–
LB Southwark: Special Education Needs (SEN)	–	19,165	19,165	14,218
LB Southwark: Deprevation fund	20,124	–	20,124	16,554
EYPP Grant	–	716	716	1,010
Erasmus EU funding	–	–	–	9,857
Sub-total for Lorrimore Nursery	552,202	19,881	572,083	585,706
Total income from charitable activities	2,213,542	458,697	2,672,239	2,784,455

3 Income from other sources

	Unrestricted £	2021 Total £	Unrestricted £	2020 Total £
CJRS grant	165,717	165,717	–	–
Business Interruption Insurance claim	245,568	245,568	–	–
Other income	750	750	10,535	–
	412,035	412,035	10,535	–

All other income is unrestricted.

Notes to the financial statements

For the year ended 31 March 2021

4a Analysis of expenditure (current year)

	Cost of raising funds £	Charitable activities				Governance costs £	Support costs £	2021 Total £
		Children's Centre Services £	Chumleigh Nursery £	Cambridge House Nursery £	Lorrimore Nursery £			
Staff costs (Note 6)	-	324,040	523,727	483,169	363,816	-	325,863	2,020,615
Other staff costs	-	770	12,574	11,197	3,745	-	17,538	45,824
Direct costs	-	14,200	22,959	19,467	10,150	-	3,643	70,419
Premises costs	-	2,420	10,302	65,166	40,041	-	13,772	131,701
Rental equipment	-	1,223	1,006	649	770	-	20,577	24,225
Utilities	-	(697)	10,946	7,718	18,578	-	46,480	83,025
Office costs	-	10,162	10,026	10,834	12,185	843	44,596	88,646
Legal and professional fees	-	5,910	1,612	1,590	1,590	10,200	11,924	32,826
Promotion	-	-	480	480	1,779	-	3,638	6,377
Depreciation	-	1,511	9,404	840	2,768	-	2,024	16,547
Bad debt	-	-	220	159	-	-	20,177	20,556
	-	359,539	603,256	601,269	455,422	11,043	510,232	2,540,761
Support costs	10,204	71,432	137,763	168,377	122,456	-	(510,232)	-
Governance costs	553	1,105	3,092	3,092	3,201	(11,043)	-	-
Total expenditure 2021	10,757	432,076	744,111	772,738	581,079	-	-	2,540,761
Total expenditure 2020	12,683	464,537	815,088	808,182	642,718	-	-	

Of the total expenditure, £2,088,580 was unrestricted (2020: £2,221,782) and £452,181 was restricted (2020: £521,426).

Notes to the financial statements

For the year ended 31 March 2021

4b Analysis of expenditure (Prior year)

	Cost of raising funds £	Charitable activities					Support costs £	2020 Total £
		Children's Centre Services £	Chumleigh Nursery £	Cambridge House Nursery £	Lorrimore Nursery £	Governance costs £		
Staff costs (Note 6)	–	279,590	513,279	462,036	373,574	–	345,218	1,973,697
Other staff costs	–	1,330	33,391	28,398	15,776	–	54,185	133,080
Direct costs	–	23,831	34,438	36,394	21,441	–	12,491	128,595
Premises costs	–	49,827	31,510	61,702	36,585	–	33,256	212,880
Rental equipment	–	3,118	1,316	603	425	–	21,351	26,813
Utilities	–	2,035	15,242	5,522	11,424	–	44,171	78,394
Office costs	–	11,871	9,203	9,131	14,325	3,075	41,570	89,175
Legal and professional fees	–	3,936	3,344	1,060	1,060	9,960	30,305	49,665
Promotion	–	906	340	340	1,268	–	8,038	10,892
Depreciation	–	2,570	6,905	137	18,546	–	6,561	34,719
Bad debt	–	–	49	694	140	–	4,415	5,298
	–	379,014	649,017	606,017	494,564	13,035	601,561	2,743,208
Support costs	12,031	84,219	162,421	198,515	144,375	–	(601,561)	–
Governance costs	652	1,304	3,650	3,650	3,779	(13,035)	–	–
Total expenditure 2020	12,683	464,537	815,088	808,182	642,718	–	–	2,743,208

Notes to the financial statements

For the year ended 31 March 2021

5 Net (expenditure) for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	16,547	34,719
Operating lease rentals:		
Property	121,346	138,425
Other	24,225	26,716
Auditor's remuneration (excluding VAT):		
Audit	8,500	8,300
Other services	1,850	1,800

6 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	1,829,307	1,796,857
Social security costs	129,277	118,569
Redundancy and termination costs	–	7,000
Employer's contribution to defined contribution pension schemes	62,031	51,271
	2,020,615	1,973,697

No employee earned more than £60,000 during the year (2019: nil).

The total employee benefits including pension contributions of the key management personnel were £473,340 (2020: £441,128).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

There were no trustee expenses representing the payment or reimbursement of travel and subsistence costs (2020: £nil).

7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Raising funds	–	–
Children's Centre Services	12.0	17.0
Chumleigh Nursery	37.2	34.1
Cambridge House Nursery	37.2	42.9
Lorrimore Nursery	29.0	26.5
Support	15.8	18.1
Governance	–	–
	131.2	139.6

Notes to the financial statements

For the year ended 31 March 2021

8 Related party transactions

There are no related party transactions to disclose for 2021 (2020: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

9 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

10 Tangible fixed assets

	Office Equipment £	Computer Equipment £	Fixtures and Fittings £	Computer Software £	Total £
Cost or valuation					
At the start of the year	32,556	43,179	203,847	10,393	289,975
Additions in year	–	1,745	22,153	–	23,898
Disposals in year	(17,531)	–	(41,250)	–	(58,781)
At the end of the year	15,025	44,924	184,750	12,295	256,994
Depreciation					
At the start of the year	27,477	34,881	185,372	10,393	258,123
Charge for the year	2,128	5,762	8,657	–	16,547
Eliminated on disposal	(17,531)	–	(41,250)	–	(58,781)
At the end of the year	12,074	40,643	152,779	12,295	217,791
Net book value					
At the end of the year	2,951	4,281	31,971	–	39,203
At the start of the year	5,079	8,298	18,475	–	31,852

All of the above assets are used for charitable purposes.

11 Debtors

	2021 £	2020 £
Trade debtors	376	6,208
Accrued income	245,568	–
Prepayments	24,307	–
	270,251	6,208

Notes to the financial statements

For the year ended 31 March 2021

12 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	10,004	22,906
Taxation and social security	31,478	30,948
Other creditors	180,883	83,246
Accruals and deferred income	104,749	115,010
	327,114	252,110

13a Analysis of net assets between funds (current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	37,846	–	1,357	39,203
Net current assets	874,405	26,071	175,772	1,076,248
Net assets at 31 March 2021	912,251	26,071	177,129	1,115,451

13b Analysis of net assets between funds (prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	–	28,944	2,908	31,852
Net current assets	641,760	158,044	164,233	964,037
Net assets at 31 March 2020	641,760	186,988	167,141	995,889

Notes to the financial statements

For the year ended 31 March 2021

14a Movements in funds (current year)

	At 1 April 2020 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2021 £
Restricted funds:					
Special Education Needs	43,098	6,864	(24,485)	–	25,477
Family Support: Children's Centre	110,809	420,464	(405,431)	–	125,842
Lorrimore Fund	389	–	(389)	–	–
EYPP	3,534	1,256	–	–	4,790
Alexandra Rose Charity Grant	6,021	33,585	(26,645)	–	12,961
Erasmus EU funding	3,290	–	4,769	–	8,059
Total restricted funds	167,141	462,169	(452,181)	–	177,129
Unrestricted funds:					
Designated funds:					
Early Years Deprivation Supplement	112,044	58,191	(2,347)	(167,888)	–
Repairs and maintenance	46,000	–	–	(46,000)	–
Fixed Asset Fund	28,944	–	(12,863)	(16,081)	–
Family Support Fund	–	–	–	1,000	1,000
Nursery Support Fund	–	–	–	25,071	25,071
Total designated funds	186,988	58,191	(15,210)	(203,898)	26,071
General funds	641,760	2,139,963	(2,073,370)	203,898	912,251
Total unrestricted funds	828,748	2,198,154	(2,088,580)	–	938,322
Total funds	995,889	2,660,323	(2,540,761)	–	1,115,451

14b Movements in funds (prior year)

	At 1 April 2019 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2020 £
Restricted funds:					
Special Education Needs	38,345	22,571	(17,818)	–	43,098
Family Support: Children's Centre	146,784	420,463	(456,438)	–	110,809
Lorrimore Fund	15,572	–	(15,183)	–	389
EYPP	2,195	1,543	(204)	–	3,534
Alexandra Rose Charity Grant	–	14,120	(8,099)	–	6,021
Erasmus EU funding	26,974	–	(23,684)	–	3,290
Total restricted funds	229,870	458,697	(521,426)	–	167,141
Unrestricted funds:					
Designated funds:					
Early Years Deprivation Supplement	60,835	54,555	(3,346)	–	112,044
Repairs and maintenance	46,000	–	–	–	46,000
Fixed Asset Fund	21,592	–	(14,587)	21,939	28,944
Total designated funds	128,427	54,555	(17,933)	21,939	186,988
General funds	676,724	2,190,824	(2,203,849)	(21,939)	641,760
Total unrestricted funds	805,151	2,245,379	(2,221,782)	–	828,748
Total funds	1,035,021	2,704,076	(2,743,208)	–	995,889

14 Movements in funds (continued)

Purposes of restricted funds

Special Educational Needs

These funds are used to provide additional support for children in the Nursery with special education needs.

Family Support

The Family Support fund represents funds from the London Borough of Southwark to help run Family Support and Training services at 1st Place Children and Parents' Centre.

Lorrimore fund

These funds were used to provide initial support for the new Nursery at Lorrimore Square which opened in November 2015. The balance represents the net book value of the capitalised improvements works.

EYPP

These are funds received for the Early Years Pupil Premium (EYPP) to support disadvantaged children in the Nursery. During the year, the conditions attached to these funds were updated by Southwark Council, requiring the funds to be recognised as restricted. The total funds brought forward and not spent in the year were transferred to restricted funds at 31 March 2018.

Alexandra Rose Grant

For distribution of Alexandra Rose Charity Fruit & Veg vouchers during the next year to local families in need.

Erasmus EU Funding

These funds are for 2019/20/21 educational visits to participating EU countries to aid development of future leaders and leadership skills among existing staff. Due to covid-19, the trips in 2020 were cancelled and so expenditure relating to these has been written back to the fund.

Purposes of designated funds

The **Early Years Deprivation Supplement** is given to nurseries to help young learners from disadvantaged areas receive the best start to their education. The Trustee Board have decided to designate this funding for education activities or similar that are not mandatory OFSTED requirements.

The **repairs and maintenance fund** has been approved by the Trustee Board for the purpose of essential maintenance works required at Chumleigh Gardens, and at Lorrimore Square following the feedback from prospective parents. Within this fund is also designated costs for an essential infrastructure upgrade to the IT systems, and expected recruitment costs for the following year.

The **Fixed asset fund** represents the Charity's holding of fixed assets. Fixed assets are considered to be not easily realisable and, in accordance with the SORP, should not be represented by free general funds. The fund balance carried forward is equal to the net book value of the fixed assets which have been purchased by unrestricted funds.

The **Family Support Fund** is there to support families who encounter short term crises and do not have the available funds to address a short term need for example support to move home when being re-housed at short notice, or a family with no recourse to public funds whose main source of income is lost due to short term illness or hospitalisation.

The **Nursery Support Fund** has been created to support nursery families whose circumstances have changed, creating short-term financial pressure affecting their ability to maintain their child's attendance at a 1st Place nursery, or that family income in the short term will not cover the amount of hours their child needs to attend in order for parents/carers to work or study.

Notes to the financial statements

For the year ended 31 March 2021

15 Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net (expenditure)/income for the reporting period (as per the statement of financial activities)	119,562	(39,132)
Depreciation charges	16,547	34,719
Dividends, interest and rent from investments	(206)	(695)
(Increase)/decrease in debtors	(264,043)	4,677
Increase/(decrease) in creditors	75,004	(23,332)
Net cash provided by operating activities	(53,136)	(23,763)

16 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2021 £	2020 £	2021 £	2020 £
Less than one year	39,533	31,333	25,412	25,412
One to five years	96,800	64,000	–	15,815
Over five years	88,733	90,667	–	–
	225,067	186,000	25,412	41,227

17 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

18 Adjusting post-balance sheet event

Since the year end, the charity has been informed that it has been successful in a claim under our Business Interruption Insurance policy that was submitted within the year but which held a high level of uncertainty and therefore had not been reflected in the accounts initially. Now this has been settled, the related claim income of £245,568 has been included within the financial statements as seen in note 3 as other income and note 11 as accrued income.