

**ANNUAL
REPORT AND
ACCOUNTS,
2023**



**Baby things,
big impact.**

CONTENTS



The Trustees present their annual report and the audited financial statements for the year ended 31 December 2023.

Reference and administrative information set out on page 56 forms part of this report. The financial

statements comply with current statutory requirements, and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102 ('Charities SORP').

Welcome	4
About Little Village	6
Achievements of the year	10
Financial review	14
Structure, governance and management	19
Statement of Trustees' responsibilities	24
Auditor's report and Financial Statements	27
Reference and administrative information	56



Welcome

Welcome from our Chair

I'm very proud to present the Little Village annual report and accounts for the year ended 31 December 2023.

2023 was another year of increased impact, with 8,529 children supported – a 22% increase on 2022. This has been partly due to the use of a free temporary 'warehouse' space in the Treaty Shopping Centre in Hounslow. This has enabled us to test a warehouse model, store and despatch large items like cots, beds and buggies (thereby saving much needed space at our other hubs) and to pack directly for families.

Our Signposting and Guidance offer to families has gone from strength to strength. We have received very positive feedback from families who have been able to move from crisis to coping, thanks to connections with housing or debt advice, or indeed local playgroups or community spaces that reduce isolation.

It has been very exciting to see that Little Village's profile has increased thanks to investment in marketing capacity, and a successful appeal for 'Winter Warmers' over the autumn led to a 41% increase in traffic to our website and donations of over 20,000 items of stock.

2023 was also a busy year for Little Village internally as we significantly strengthened our staff team and



Olivia Gillan-Bower

consulted on a strategy for 2024 to 2026. This involved focus groups, surveys, interviews and discussions with all key stakeholders and has led to the production of a new strategic plan which was launched early in 2024.

We continue to be hugely grateful to the growing 'village' of families, volunteers, donors, supporters and staff. We're so thankful that together we are standing in solidarity together to tackle poverty, improve sustainable practices and build connection.

Welcome from our CEO

2023 was a hugely impactful year for Little Village in terms of the numbers of families supported with essential items for their babies and young children. We couldn't have done that without the dedication and enthusiasm of volunteers, and of the community donating items at over 170 pop-up donation sessions across London.

However, the need for our help continues to grow. During December 2023, we were receiving one referral every 45 seconds when our online referral form was open. This is consistent with research from the Joseph Rowntree Foundation which found that one million UK children were destitute in 2022, which means they were lacking access to essential basics such as food, shelter, heating, clothing, footwear or toiletries. This number has almost tripled since 2017 and London had the highest destitution rates in 2022.

2023 was the year when the profile of baby banks started to grow, thanks to the continued collaboration of Little Village with Save the Children, Purposeful Ventures and Baby Bank Network Bristol to create an Alliance of baby banks. We've been supported by *The Sun's* Fabulous magazine, which launched their 'Baby, Bank on Us' campaign in June, and by HRH The Princess of Wales, who endorsed the Sun's campaign and also chose baby banks as a focus for the Royal Foundation



Centre for Early Childhood's campaigning work in the run up to Christmas 2023.

In 2024 we aim to publicly launch the Baby Bank Alliance and continue to work alongside families to shine a light on the existence and effects of poverty for families with young children.

At Little Village, our work will focus on continuing to support families across London with essential items as well as ensuring we have a strong organisation that's fit for purpose for the coming years.

With no sign of child poverty decreasing in the foreseeable future, we're determined to meet as much individual demand as we can, while working alongside our London 'village' as well as other baby banks to highlight and challenge the existence of poverty and destitution.

ABOUT LITTLE VILLAGE



Our vision

For every child to have the essentials they need to thrive.

Our mission

To bring about change for children and families through the power of sharing, reusing and connecting.

What we do

Our pan-London baby bank network passes loved baby goods from one family to another, sharing essential, high-quality items that are gifted with love and kindness.

We do this in one of three ways:

1. A dedicated appointment at one of our high-street hubs, providing a “shopping experience” for families;
2. A box, packed to order by our volunteers and delivered directly to a family’s door; or
3. A bundle, delivered via a trusted partner to families they’re working with.

We also continue to deliver “big kit”, such as cots, buggies and toddler beds, to families via our volunteer drivers.

In addition, we connect over 1,500 families with a wider network of support. Starting with a referral to our specialist signposting and guidance service, we help families find extra support – such as food bank

referrals, access to Healthy Start vouchers, or help with housing issues.

We are powered by an incredible group of over 1,000 committed volunteers. We’ve grown to be one of the largest baby banks in the UK, supporting over 25,000 children since we launched in 2016 – including 8,529 children in 2023 alone.

The families who come to Little Village are referred to us by a network of over 2,500 professionals from more than 500 organisations, such as midwives, health visitors, social workers, and children’s centres.

We have always argued that our work should not only serve to support families who are struggling, but should also act as a force for change when it comes to the existence of child poverty. We are committed to playing our part in ending child poverty and we believe that every child deserves the best possible start in life.

How we work

We believe in the power of **solidarity**, bringing people together to support each other. We create spaces where everyone can **thrive** – families and their children, our volunteers, our team. We have a passion for **sustainability** and at the heart of everything is the belief that **love** is a force for change in a world where so many of us have to fight for the basics.

The need we respond to

The UK, despite being one of the richest countries in the world, has growing levels of child poverty. There are now 4.2 million children living in poverty – that’s one child in every three. Of these children living in poverty, half live in a family with a child under five years old.ⁱ This illustrates the increased pressures that families with very young children face.

Although many people don’t realise this, London has the highest rate of child poverty in England. A shocking 800,000 children, representing 39% of all of London’s children, are growing up in poverty in our capital city.ⁱⁱ

As well as being on the increase, the nature of childhood poverty is changing. One example of this is the rising number of children growing up in poverty despite having a parent in work. In fact, 38% of Universal Credit claimants are in work.ⁱⁱⁱ Today’s reality is that millions of hard-working parents can’t afford to buy essentials for their children.

It’s not just rising numbers of children in poverty. The severity of individual families’ situations is also getting worse. In 2022, one million children were destitute; this means they lacked access to essential basics such as food, shelter, heating, clothing, footwear or toiletries. In that year, London had the highest destitution rates in the country.^{iv}

And across the UK, the number of destitute children has almost tripled since 2017.

The impact of these rates of childhood poverty and destitution is devastating and has long-lasting effects on individual lives. Children growing up in poverty see a significant detrimental impact on their:

- Achievement at school: they are less likely to be school-ready at age five and to achieve five good GCSEs at age 16.^v
- Mental health: children living in poverty in their early years are four times more likely to develop a mental health problem by the time they are 11 years old.^{vi}
- Overall development and behaviour: this can impact children living in poverty, because they tend to have weaker relationships with carers due to family stress.^{vii}

And after all that, these children face living a shorter life. Those living in the most deprived 10% of areas will die nine years younger than those in the richest 10%.^{viii}

The cost to each of these individual children is staggering – and that alone demands action. But there is also a significant cost to society overall. The Royal Foundation Centre for Early Childhood, together with the London School of Economics, worked

out that in England alone we are paying at least £16.1 billion per year on addressing issues that arise from poverty in childhood. These costs – from running the care system to treating short- and long-term mental and physical health challenges – might have been avoided if action had been taken earlier in those children's lives.^{ix} More importantly: the children themselves could have been saved from those challenges.

To compound this, parents are often having to navigate these challenges alone. The Royal Foundation's research found that over half of parents report feeling lonely sometimes (36%), often (13%) or always (3%). In addition, 70% of parents report feeling judged by others, and among these parents nearly half feel that this negatively affects their mental health.^x

OUR 2021–2023 STRATEGIC OBJECTIVES

Helping more children

We want to help more children living in poverty by opening more centres and creating more partnerships with community organisations and others working with families so that we can serve people right across London.

Offering families broader support

We want to ensure that Little Village offers families more than just 'kit' by also providing emotional support and if necessary, referrals to other organisations.

Building our volunteer programme

Volunteers are at the heart of Little Village and our volunteer programme offers people from all backgrounds the opportunity to grow and thrive. We have

an explicit focus on developing skills and helping people back to the labour market when this is what they want.

Being a force for change

We believe that every child deserves the best possible start in life. Our focus is on changing unhelpful and damaging attitudes towards child poverty as well as campaigning for policy change.

Building a resilient organisation

It is critical that our strategic objectives are supported by a strong and resilient organisation, with sustainable funding, a forward-thinking approach to people management and development and robust financial and operational systems.

achievements OF THE YEAR

In 2023, we...

Supported

**8,529
children**



Gave

7,747 coats

so children can stay
warm and dry



Gifted

1,407

baths or bath supports

so parents can create
bath times that are
safe and fun

Passed on

23,313 toys

to provide hours of
learning and play



Gifted

2,385

**ways for families to
get out of the house
for big and little
adventures**

including

**1,081
buggies**



Passed on

15,573

pairs of shoes

so that children can have
well-fitting and weather-
appropriate footwear all
year round.



Packed

11,747

clothing bundles



with the help of

34,000 hours

given by

1,024

volunteers



Gifted

21,456 books

to unlock big imaginations
and special bedtimes

Gave

1,916

safe places to sleep
helping everyone in the
family to snooze soundly



Helping more children

We supported 8,529 children with essential items in 2023, thanks in part to the provision of a gifted temporary warehouse space in Hounslow, on the first floor of the Treaty Shopping Centre.

We were successful in bidding for a new community space on the Regent's Place campus in Regent's Park ward, Camden, which we moved into at the end of December 2023. This will serve as a new home for our Camden-based operations, previously run from the Somers Town Community Centre. We're grateful to British Land and Camden Council for awarding us this beautiful new space.

Offering families broader support

During 2023, Family Connections staff and volunteers contacted families 6,000 times following their referral to connect with them, explain the service, offer solidarity and ensure their needs were understood so the right clothing and equipment would be delivered. They also contacted families after delivery to make sure the family understood how to get further support from Little Village in the future and, where necessary, provide initial signposting and information on other issues or a referral to the Signposting and Guidance service.

Our Signposting and Guidance service has continued to grow during 2023, thanks to funding from generous donors, including the Mayor of London.

In 2023, the service accepted 636 signposting cases, supporting 429 individual families, who received impartial, free guidance and signposting, some on more than one occasion.

It has reached almost 1,000 families since it began and has provided over £50,000 in financial relief through foodbank vouchers, Healthy Start and crisis grants among others.

Building our volunteer programme

What we have achieved this year wouldn't have been possible without our incredible volunteers. During the year, 1,024 volunteers donated over 34,000 hours of their time.

As well as providing regular volunteering opportunities, we also hosted corporate volunteering sessions, with 85 sessions involving 866 individuals giving over 4,000 hours.

Raising our voice for change

In 2023, we focused on building awareness of the desperate need faced by the families we support, and the stark realities of too many children's lives.

Last year, our media work included coverage in the *Evening Standard's* Winter Appeal; the *Metro's* campaign on baby formula; and an extended feature with a mum, Teesha, who told her impactful story on ITV News and on BBC Radio 4's "You and Yours".

Achievements of the year

In 2023, we also continued our work to incubate a national Baby Bank Alliance, in partnership with Save the Children UK, Purposeful Ventures, and Baby Bank Network Bristol. We are delighted to share that the Alliance has now opened up for membership, and over 140 baby banks have joined so far.

Building a resilient organisation

People

Our staff team has expanded to reflect the addition of new spaces, and our increasing operations overall. Within the Senior Management Team, we appointed a Head of Volunteering in April 2023, a new role to recognise the importance of volunteering and volunteers within Little Village. A Head of Marketing and Communications joined us in June 2023 and, following the departure of our existing Head of People in July, a new Head of People joined in September.

Fundraising

This was the first full financial year that Little Village had a permanent Head of Fundraising in post. It also marked a year of transition away from the exceptional influx of funds that benefitted Little Village during the pandemic. Our emphasis in 2023 was on establishing the foundations needed for sustainability and future growth, identifying priorities for investment

and taking the first steps towards diversification of our donor base.

New posts in the Fundraising team included a full-time Trusts and Foundations Fundraising Manager and a Major Donor Manager. We also commissioned an external review of the fundraising opportunities and risks for Little Village in the context of a challenging external environment, which will help guide our future strategic priorities for fundraising.

We are enormously grateful to all our generous donors who supported us in 2023.

Processes and technology

We continue to work hard to ensure our management processes (for example, project planning, objective setting and review meetings) have kept pace with our organisational growth. We launched a new online HR tool, Personio, and have worked with an external agency, Loomery, to review our end-to-end processes and identify the right CMS systems for the various functions at Little Village.

We are investing in a new, separate fundraising CMS tool, Beacon, and continue to review which is the right tool for our baby bank operating model and our support for volunteers. This work will continue in 2024 with the implementation of these new CMS systems.

Governance

We appointed Kate Husselbee and Jacqui Penalver to our Board of Trustees in June 2023. Kate brings significant experience in HR leadership, organisational design, equity, diversity and inclusion, shaping culture and improving performance. Jacqui brings experience from her voluntary sector career in performance, governance and compliance.

In addition, the Board has appointed existing Trustee, Marcia Holmes, to the new position of Deputy Chair. Marcia is Head of

DEI for Europe, Middle East, Africa and India at Warner Music Group.

As Little Village invests in its technology capacity, we felt it was important to bring more technology expertise onto our board of Trustees. Planning for the recruitment of an additional Trustee began at the end of 2023 and a new Trustee, Matthew Chisambi, was appointed on 12 March 2024. Matthew joins from the NHS where he works as the Interim Director of Strategy at the North West London Health Innovation Network, Imperial College Health Partners.



FiNAnCial ReViEW

Income and expenditure

The charity’s total revenue for 2023 was £4.5m (2022: £3.5m). This includes £1.2m for the value of goods donated to Little Village for distribution to families during the year (2022: £743k) and £152k for the value of donated services that we received to support our operations (2022: £645k).

Monetary income in the form of donations and grants amounted to £2.9m (2022: £2.1m). The diagram below illustrates the types of donor whose generosity contributed to this total.

The charity’s total expenditure for the year was £3.9m (2022: £3.4m). This figure includes the value of donated goods given out to families, which was £1.2m (2022: £726k). It also includes £152k for the value of certain

services which were donated to the charity (2022: £645k).

Staff costs continued to be our most significant expense at £1.5m (2022: £1.2m), increasing as we added to our staff count to keep pace with the needs of our operations (a headcount increase from 31 to 40 on a full-time equivalent basis).

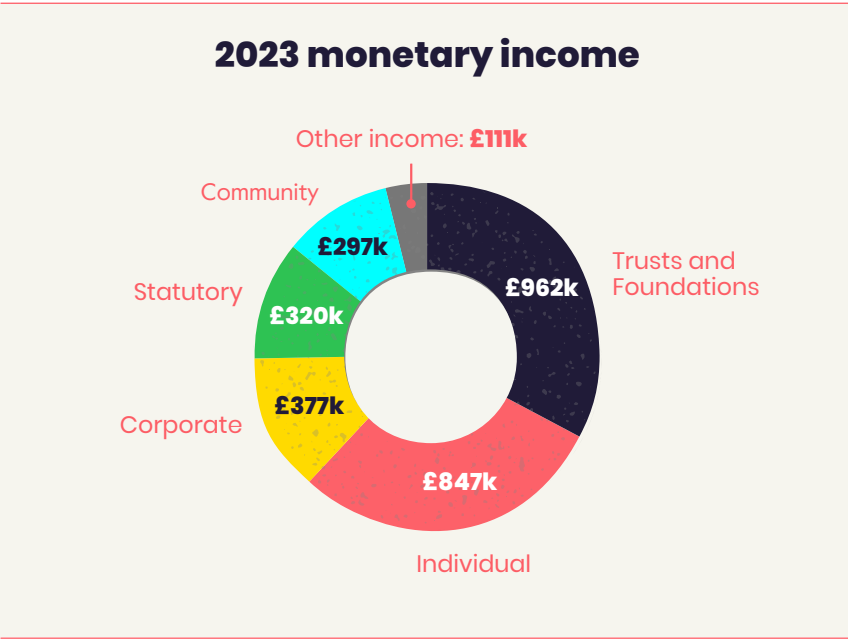
The four-year trend shown in the table on page 16 summarises total income and expenditure including restricted and unrestricted funds.

Donations in kind

In line with best practice according to the Charities SORP, the value of donated goods given out during the year is also included in these accounts. Specifically, donated

goods given to beneficiary families are recognised in both income and expenditure, at the same amount, when they are distributed to families rather than when they are received by Little Village. No balance sheet value is assigned to any second-hand donated items that are held at the year-end. Where goods have been donated to Little Village as brand new, items held at the year-end are reflected as stock on the balance sheet to the extent that the value is material. Where such stock is recognised on the balance sheet, there is a corresponding adjustment to income, meaning that the reported income and expenditure figures for donated goods may not be the same.

The total value of donated goods given out by Little Village in 2023 was £1,244k (2022: £726k), which is reflected in expenditure, and included in income (along with an adjustment to take account of the stock of brand-new donations reflected on the balance sheet). To value second-hand donated goods for the purposes of the income and expenditure disclosures, we take a second-hand market value estimate of each type of item. Baby clothing is valued on the basis of bundles, reflecting both how they would typically be sold second hand, and the way in which we distribute bundled clothing to families. Brand new items donated to Little Village are reflected in income and expenditure based on the ‘as new’ value.



£'000	2020	2021	2022	2023
Total income	2,151	2,828	3,545	4,487
<i>Of which:</i>				
Monetary income – donations and grants	1,635	2,178	2,128	2,974
Donated goods	514	574	743	1,249
Donated services	–	72	645	152
Total expenditure	1,428	1,861	3,418	3,949
<i>Of which:</i>				
Staff costs	437	666	1,180	1,468
Donated goods	514	550	729	1,244
Donated services	–	72	645	152
Surplus/(deficit) for the year	722	967	131	538

Donated services are recognised in our accounts as income and expenditure where they are services we would have needed to procure anyway.

Where donated services are of a higher quality (and therefore higher value) than we would have ordinarily paid for, we have accounted for them at the value we would have been willing to pay.

Donated services reported in 2022 and 2023 mainly comprise costs relating to our site in Hounslow whose rent and service charges have been covered by a donor.

Significant events affecting financial performance and financial position during the year

The delivery-based service that we developed during 2020 in response to the Covid-19 restrictions has become a permanent feature of our operating model, alongside our traditional family collections from our hubs. Delivery and collection costs incurred during 2023 were around £131k, by comparison with £100k in 2022.

Property moves and the related uncertainty both continue to represent a challenge

for Little Village. In 2023 we started preparing to leave the Hounslow warehouse site, and moved into a new space in Wandsworth in May 2024. Our new site in Camden was opened in February 2024. We have benefited from the generosity of several donors in relation to both fit-out and property searches, but nevertheless, the property expenses borne by Little Village have shown an upward trend in recent years: £222k in 2023, £201k in 2022 and £109k in 2021. We anticipate that property will continue to be a source of uncertainty, based on our recent experiences of the difficulty in finding suitable affordable spaces.

We have continued to invest in our IT infrastructure, to ensure that it keeps pace with our growth and the increasing complexity of the services that we offer to families.

Towards the end of 2023, we launched a major project to upgrade most components of our back-office systems (the project will run for most of 2024). IT consultancy expenditure in 2023 was £177k (2022: £82k).

Staff numbers have continued to increase, with 40 employees in 2023 (measured on a full-time equivalent basis). This compares with 31 employees in 2022 and 18 in 2021. Staff costs represent around 57% of our monetary expenditure (ie total expenditure other than the value of donated goods and services).

Reserves

The Trustees continually monitor the charity's financial position and specifically review its required level of reserves each year. This review takes into account the types of income and the risks and uncertainties associated with each; the level of fixed costs including salaries and property rent; variable costs associated with providing our services; the needs of the families whom we support; the funds required to achieve our strategic goals; and any one-off expenditure planned in the foreseeable future.

At the end of 2022, the Trustees agreed to designate a portion (£250k) of the charity's unrestricted reserves towards the cost of upgrading our

premises and IT infrastructure. Our increased level of expenditure in these two areas during 2023 means that this designated reserve has been utilised.

At the end of 2022, the Trustees also agreed to establish a designated reserve at £500k for the purpose of meeting staff costs. In particular, a number of new roles were planned for 2023, including further strengthening of our fundraising team in order to ensure that our current level of income can be not only sustained but also increased to keep pace with Little Village's plans. Our increased level of expenditure on staff costs, as noted above, means that this designated reserve has also been utilised during 2023.

As the charity seeks to meet the significant and increasing

£'000	Unrestricted funds		Restricted funds	Total
	General	Designated		
Brought forward 1 January 2023	1,230	750	21	2,001
Net income for the year	415		123	538
Utilisation of Designated Funds brought forward	750	(750)	-	-
Transfer to new Designated Fund: capacity-building 2024-2026	(870)	870	-	-
Carried forward 31 December 2023	1,525	870	144	2,539

demand for support from families, it is critical that our capacity to provide this support continues to grow. The charity's three-year forecast incorporates plans for investing in technology development, increasing the depth of the Fundraising team and strengthening our Marketing and Communications expertise in order to sustain and enhance the support that we can offer to families. The Trustees consider it appropriate to utilise unrestricted reserves to support the capacity-building that these plans aim to achieve in the next three years. Accordingly, they have approved the use of £870k of unrestricted reserves in total (being £550k in 2024, £200k in 2025 and £120k in 2026). This is presented as a fund of £870k designated to support capacity-building in the three years 2024-2026.

The Trustees have agreed that the minimum level of general unrestricted reserves should be sufficient to cover our budgeted fixed and variable costs for a period of between three and six months (amounting to

between £864k and £1,728k). As at 31 December 2023, general unrestricted reserves, excluding the designated funds, stood at £1.5m. This represents approximately five months' budgeted fixed and variable costs.

Movements on unrestricted and restricted reserves for the financial year are summarised in the table on page 17.

Going concern

The fragile economy and ongoing cost of living crisis mean that Little Village is operating in a generally uncertain environment. The principal risk that Little Village faces is our ability to sustain the level of income needed to support the ever-increasing number of families who seek our help, and to meet our own growing level of costs. Taking these factors into account, the Trustees have reviewed the level of reserves currently held, along with the budgeted income and expenditure, and have concluded that the charity's funds will be sufficient to sustain its activities

for a period of at least twelve months from the date of finalising these accounts. Accordingly, the accounts have been prepared on a going concern basis.

A broader discussion on the risks and uncertainties that Little Village faces, and the management of those risks, is set out below in the next section 'Structure, governance and management'.

Investment policy

In addition to the balance held in the charity's current accounts, cash is placed in short and medium term interest-bearing deposits with UK-incorporated banks, in order to maximise the charity's interest income while at the same time diversifying its exposure to individual institutions.

The maturity of deposits is determined having regard to the charity's predicted level and timing of outgoings. The Trustees currently do not consider other forms of investment to be appropriate.



STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure, governance and management

Governance

The organisation is a charitable incorporated organisation (CIO), registered as a charity on 18 October 2016.

The charity was established under constitution based on the 'foundation CIO' model. The constitution establishes the objects and powers of the CIO and sets out the way in which it is governed.

The Trustees are the only members of the charity and are entitled only to voting rights. The Trustees have no beneficial interest in the charity and, in the event of winding-up, they have no liability to contribute to its assets and no personal responsibility for settling its debts and liabilities.

Appointment and induction of Trustees

Roles are openly advertised and Trustees are recruited through an interview process led by nominated members of the Board of Trustees. New Trustees receive an induction programme which includes meetings with key members of the management team, a briefing pack and a site visit. All Trustees commit to volunteering with Little Village regularly so that they have a good understanding of the work that the charity does.

All Board members participate in an annual review and objective setting process,

led by the Chair of Trustees. Trustees are appointed for a three-year term with the option to renew for one further three-year term. In exceptional circumstances, a Trustee may be appointed beyond a second three-year term by a resolution of the Trustees.

Organisational structure and decision making

The Board of Trustees has collective responsibility for everything that the charity does, including the legal responsibility to ensure it is controlled and properly managed. The Board delegates responsibility for operational management to the Chief Executive.

The Chief Executive leads the senior management team to develop plans, policies and processes following the Board's advice and approval. As at 31 December 2023, the rest of the senior management team comprised a Head of Operations, a Head of People, a Head of Finance, a Head of Marketing and Communications, a Head of Volunteering and a Head of Fundraising.

The Board of Trustees is responsible for the strategic direction of the charity and meets quarterly together with the Chief Executive and senior management team to review progress and to ensure the charity is on track to meet its objectives. The Board has two sub-committees: a Finance and Risk Committee and a

Remuneration Committee (these meet quarterly and at least annually, respectively).

Remuneration policy

All Trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 12 to the accounts.

In setting salaries, Little Village strives to pay at a competitive level within the sector and considers changes in the cost of living/inflation and changes to roles and responsibilities.

The charity also takes into account the need to remain prudent so that salary costs are sustainable both at the current time and in the future. All employees are paid at least the London living wage as defined by the Living Wage Foundation.

The Board of Trustees reviews and agrees the annual remuneration of the Chief Executive and agrees the remuneration level of senior staff, in conjunction with the Chief Executive.

Little Village is committed to creating roles that enable people to balance purpose-driven work with other priorities in life.

Diversity, Equity and Inclusion

We have taken a number of steps forward on our DEI journey during the year, supported by our Deputy Chair of Trustees, Marcia Holmes.

This has included forming an internal working group, creating and consulting on a DEI vision statement and all-staff training on DEI, culture and values.

We have also considered how DEI will be represented in our strategy for 2024 to 2026 and concluded that there should not be a stand-alone DEI strategy, but instead that we should ensure that DEI is an approach integrated into Little Village's overall organisational strategy and objectives.

Future priorities include:

- Annual tracking of our diversity and inclusivity through surveys of staff and volunteers;
- The DEI working group acting as a sounding board to organisational teams considering the inclusivity of their work or initiatives;
- A focus on team culture and behaviours as well as training needs, led by the People team but with input from the DEI working group; and
- Recruitment of a Lived Experience/Participation Manager during 2024 to ensure that families are more fully involved in Little Village's work.

Volunteers

The Trustees are extremely grateful for the enormous contribution made by the 1,024 active Little Village volunteers

across a variety of roles (typically collecting donations, sorting and packing them, making deliveries, liaising with families) in 2023. The charity is truly powered by them and they are one of Little Village's most critical and valuable assets.

Fundraising

Fundraising was led by the Head of Fundraising with significant involvement from the Chief Executive. We did not receive any complaints about our fundraising. We keep up to date with changing regulation and ensure we comply with it by changing our processes if needed. We are a member of the Fundraising Regulator and have an Ethical Fundraising Policy in place. We understand our duty to protect vulnerable people to protect people's privacy and do not engage in any intrusive methods of raising funds.

Principal risks and uncertainties

The charity has a risk register in place which sets out key risks (covering governance, financial, operational, external and reputational, legal and compliance risk) and how they are managed. The risk register is formally reviewed annually by the Board but noted on a quarterly basis at each Board meeting.

The Trustees and Chief Executive have identified the following as key strategic risks facing Little Village:

- A breach of the charity's safeguarding policy. This is mitigated by ensuring that all staff, volunteers and Trustees receive safeguarding training and that a safeguarding briefing is given at the beginning of volunteering session.
- A shortfall in income leading to a breach of the reserves policy. This risk is managed by having forward planning around fundraising and diversifying fundraising streams. In addition, there is regular monitoring of financial performance throughout the year, including cashflow forecasting, so that mitigating measures can be put in place, if needed.
- Loss of key staff or Trustees. This is mitigated by having objectives and development plans in place for staff and by developing a People Strategy which includes performance management and development. A Trustee review programme is also in place.
- The impact of any adverse external events that would affect our ability to deliver services to families.
- The loss of one of the key sites that Little Village operates from. This is mitigated by ensuring that the charity has capacity and flexibility at other sites and at our warehouse space to provide temporary cover if needed.

- A data breach or cyber attack that causes reputational risk and/or impacts our ability to operate. Centralised management of technology, anti-virus software and data back-ups act in mitigation.

Policies

Policies for all relevant areas are maintained, including safeguarding (adult and child), health and safety, data protection, conflicts of interest, finance and fraud. Policies are reviewed regularly and approved by the board.

Public benefit

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.

Related parties

We work in partnership with a wide range of organisations, such as Citizen's Advice, Home-Start and statutory services such as midwifery teams, health visitors and local authorities. There are no entities or charities we work with which are related parties.

Our plans for the future

Our strategy for Little Village's work over 2024 – 2026 will focus on four key ambitions:

- 1. Supporting families**
Continuing to share both essential items and understanding, so that babies and children in London can thrive.
- 2. Inspiring**
Growing the "village" of support and inspiring more people to join us.
- 3. Raising awareness**
Raising our voice for change, to raise awareness of family poverty and baby banks, and build the Baby Bank Alliance.
- 4. Resilience**
Ensuring the sustainability of this work by developing a strong and resilient organisation.

This new strategy is a response to the growing demand from families for a wide range of support. It also sets out our plans for raising the profile of baby banks. Over the next three years, we want to help educate the public about what baby banks do, inspire more people to want to help, and encourage them to join our "Little Village". At the same time we will continue to develop our organisational sustainability, to ensure we're in a position to support families for years to come.

Thank you

It really does take a village to make our work happen and ensure children and their families have what they need to thrive.

Our village includes:

- The 1,024 volunteers who gave us over 34,000 hours of their time in 2023.
- The 2,500 referral partners who work tirelessly to make sure families get the support they need and take the time to complete our referral form.
- The hosts of pop-up and regular donation sessions, enabling us to get a steady flow of pre-loved kit and clothing through to our hubs and out to families.
- The many consultants and companies who volunteer their expertise pro bono or at a very friendly charity rate.
- The companies that have supported with donations from their own profits or donated and/or gifted us beautiful stock, volunteered, run donation drives, chosen us as their charity of the year and supported our online appeals.
- All the existing and new trust, foundations and statutory partnerships who have supported us with core and project funding

and made introductions to new organisations.

- The children and their parents at the schools that support us with amazing fundraising events and donation collections.
- The people and organisations who have

helped us share the story of the families we've supported with dignity, helping to change the narrative around poverty.

- The wide range of people who've donated to us or raised funds through a personal challenge. We heavily rely on your regular

and one-off donations and we know that often you are also someone who has volunteered or donated kit as well.

Although we aren't able to name everyone, every single one of you has made a difference.

Thank you.



STATEMENT OF TRUSTEES' RESPONSIBILITIES

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

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- Make 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; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity 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 prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- There is no relevant audit information of which the charity's auditors are unaware.
- The Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

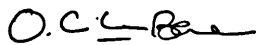
Statement of Trustees' responsibilities

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

Auditors

Third Sector Accountancy Limited were re-appointed as the charity's auditors during the year and have expressed their willingness to continue in that capacity.

The Trustees' Annual Report has been approved by the Trustees and signed on their behalf by



24 / 06 / 2024

Olivia Gillan-Bower

Chair

auditor's REPORT and Financial STATEMENTS

Year ended: 31 December 2023

Little Village

Charity number 1169735

Independent auditor's report to the Trustees of Little Village

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 December 2023 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity'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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

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

Independent auditor's report

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 25, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under Section 154 of that Act .

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

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

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the charity and environment in which it operates, we identified the principal risks of non-compliance with laws and regulations related to pension legislation, tax legislation, employment legislation, health and safety legislation, and other legislation specific to the industry in which the charity operates, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the reporting requirements under the Charities SORP and FRS102, and the Charities Act 2011.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to the pressure on management to achieve particular results. Audit procedures performed by the engagement team included:

- Review of policies;
- Discussions with management and trustees including consideration of known or suspected instances of non-compliance;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journal entries; and
- Challenging assumptions and judgments made by management.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is

Independent auditor's report

higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of the audit report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's trustees as a body for our audit work, for this report, or for the opinions we have formed.

Third Sector Accountancy Limited

26 / 06 / 2024

Third Sector Accountancy Limited, Statutory Auditor
Holyoake House
Hanover Street
Manchester
M60 0AS

Third Sector Accountancy Limited is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Financial statements

Statement of Financial Activities (including Income and Expenditure account) for the year ended 31 December 2023

		Unrestrict- ed funds	Restricted funds	Total funds 2023	Unrestrict- ed funds	Restricted funds	Total funds 2022
	Note	£	£	£	£	£	£
Income from:							
Donations and legacies	3	2,416,279	558,165	2,974,444	1,432,983	694,790	2,127,773
Donated goods for beneficiaries	3	1,249,305	-	1,249,305	743,303	-	743,303
Donated services	3	152,200	-	152,200	645,433	-	645,433
Charitable activities	4	11,441	-	11,441	-	-	-
Other trading activities	5	11,234	-	11,234	4,671	-	4,671
Investments	6	88,502	-	88,502	24,305	-	24,305
Total income		3,928,961	558,165	4,487,126	2,850,695	694,790	3,545,485
Expenditure on:							
Raising funds	7	243,876	22,268	266,144	41,078	133,949	175,027
Charitable activities	8	3,270,325	413,011	3,683,336	2,651,926	590,694	3,242,620
Total expenditure		3,514,201	435,279	3,949,480	2,693,004	724,643	3,417,647
Net income/ (expenditure) for the year	10	414,760	122,886	537,646	157,691	(29,853)	127,838
Net movement in funds for the year		414,760	122,886	537,646	157,691	(29,853)	127,838
Reconciliation of funds							
Total funds brought forward		1,979,718	21,449	2,001,167	1,822,027	51,302	1,873,329
Total funds carried forward		2,394,478	144,335	2,538,813	1,979,718	21,449	2,001,167

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

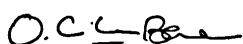
Balance sheet

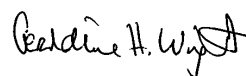
Balance sheet as at 31 December 2023

		2023	2023	2022	2022
	Note	£	£	£	£
Fixed assets					
Tangible assets	15		37,665		43,915
Total fixed assets			37,665		43,915
Current assets					
Stock	16	60,556		66,470	
Debtors	17	136,757		100,729	
Cash at bank and in hand	18	2,485,610		1,987,153	
Total current assets		2,682,923		2,154,352	
Liabilities					
Creditors: amounts falling due in less than one year	19	(181,775)		(197,100)	
Net current assets			2,501,148		1,957,252
Total assets less current liabilities			2,538,813		2,001,167
Net assets			2,538,813		2,001,167
The funds of the charity:					
Restricted income funds	20		144,335		21,449
Unrestricted income funds	21		2,394,478		1,979,718
Total charity funds			2,538,813		2,001,167

The notes on pages 36 to 55 form part of these accounts.

Approved by the Trustees and signed on their behalf by:





24 / 06 / 2024

Olivia Gillan-Bower (Chair)

Geraldine Wright (Treasurer)

Statement of Cash Flows for the year ending 31 December 2023

	Note	2023 £	2022 £
Cash provided by/(used in) operating activities	24	409,955	200,995
<i>Cash flows from investing activities:</i>			
Dividends, interest, and rents from investments		88,502	24,305
Cash provided by/(used in) investing activities		88,502	24,305
Increase/(decrease) in cash and cash equivalents in the year		498,457	225,300
Cash and cash equivalents at the beginning of the year		1,987,153	1,761,853
Cash and cash equivalents at the end of the year		2,485,610	1,987,153

Notes to the accounts for the year ended 31 December 2023

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a. Basis of preparation

The accounts (financial statements) have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019 and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2019.

The accounts (financial statements) have been prepared to give a 'true and fair view' and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following 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) issued in October 2019 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Little Village meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £ sterling.

b. Judgements and estimates

Key judgements which the Trustees have made which have a significant effect on the accounts include accounting estimates for the valuation of donated services (property and payroll services) and donated goods. More detail is given in note 1e Donated services and facilities.

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 amount of assets and liabilities within the next reporting period.

c. Preparation of the accounts on a going concern basis

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

The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. Please refer to further comments in the Trustees' Annual Report.

d. Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and 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 a provision of a specified service is deferred until the criteria for income recognition are met.

e. Donated services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the

donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), general volunteer time is not recognised; refer to the Trustees' Annual Report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. In 2023 the Trustees changed the basis of their estimate for the valuation of donated property. This estimate is consistent with the value the charity would pay for a similar sized property rather than one in a higher priced retail environment, being £150,000. If this basis had been used in 2022 the comparative donated services (property) would have been £100,000 for an 8 month period.

The charity received a wide range of donations from the general public of second hand baby and children's clothing, cots, buggies and various other types of goods needed for babies and young children. All these donations are passed on to families in need free of charge. These donations were valued at an estimated second hand value recorded both as income (£1,249,305) and expenditure (£1,244,384) in the accounts. The second hand value of these gifts is recognised in the accounts when they are distributed to the beneficiary. The stock of second hand goods is not recognised in the accounts because it would be impractical to record this information, and the costs of attempting to do so would outweigh any benefit to the users of the accounts or the charity.

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

Unrestricted funds are available to spend on activities that further any of the purposes of charity.

Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be solely used for particular areas of the charity's work or for specific projects being undertaken by the charity.

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 comprise the costs of a fundraiser, fundraising events, marketing, merchandise and website costs, and their associated support costs.
- Expenditure on charitable activities includes the costs of operating baby and young children's clothing banks undertaken to further the purposes of the charity and their associated support costs.
- Other expenditure represents those items not falling into any other heading.

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

i. Allocation of support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the charity's programmes and activities. These costs have been allocated between cost of raising funds and expenditure on charitable activities. The bases on which support costs have been allocated are set out in note 9.

j. Operating leases

Operating leases are leases in which the title to the assets, and the risks and rewards of ownership, remain with the lessor. Rental charges are charged on a straight line basis over the term of the lease.

k. Tangible fixed assets

Individual fixed assets costing £1,000 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Leasehold improvements	over 10 years
Furniture, fixtures and fittings	20% – 33%
Computer equipment	33%

l. Stock

Stock is included at cost. In general, cost is determined on a first in, first out basis. Provision is made where necessary for obsolete, slow moving, and defective stocks. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

m. 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.

n. Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments comprising a range of fixed term deposits up to 12 months only.

o. 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.

p. 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 with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

q. Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme. The charity's contribution is restricted to the contributions disclosed in note 11. Outstanding contributions at the year end were £7,495 which were paid in full by 10 January 2023. The costs of the defined contribution scheme are included within support and governance costs and allocated to the funds of the charity using the methodology set out in note 9.

2. Legal status of the charity

The charity is a charitable incorporated organisation registered with the Charity Commission and has no share capital. The registered office address is disclosed on page 57.

3. Income from donations and legacies

	Unrestricted £	Restricted £	Total 2023 £	Unrestricted £	Restricted £	Total 2022 £
Donations and grants	2,416,279	558,165	2,974,444	1,432,983	694,790	2,127,773
Donated goods for beneficiaries	1,249,305	-	1,249,305	743,303	-	743,303
Donated services	152,200	-	152,200	645,433	-	645,433
Total	3,817,784	558,165	4,375,949	2,821,719	694,790	3,516,509

Please see the Trustees' Annual Report for detail on the donated services.

Notes to the accounts

4. Income from charitable activities

	Unrestricted £	Restricted £	Total 2023 £	Unrestricted £	Restricted £	Total 2022 £
Baby Bank Alliance	11,441	-	11,441	-	-	-
Total	<u>11,441</u>	<u>-</u>	<u>11,441</u>	<u>-</u>	<u>-</u>	<u>-</u>

Please see the Trustees' Annual Report for further information on the Baby Bank Alliance.

5. Income from other trading activities

	Unrestricted £	Restricted £	Total 2023 £	Unrestricted £	Restricted £	Total 2022 £
Clothes recycling	11,234	-	11,234	2,701	-	2,701
Other	-	-	-	1,970	-	1,970
Total	<u>11,234</u>	<u>-</u>	<u>11,234</u>	<u>4,671</u>	<u>-</u>	<u>4,671</u>

6. Investment income

	Unrestricted £	Restricted £	Total 2022 £	Unrestricted £	Restricted £	Total 2021 £
Income from bank deposits	88,502	-	88,502	24,305	-	24,305
	<u>88,502</u>	<u>-</u>	<u>88,502</u>	<u>24,305</u>	<u>-</u>	<u>24,305</u>

7. Cost of raising funds

	Unrestricted £	Restricted £	Total 2023 £	Unrestricted £	Restricted £	Total 2022 £
Staff costs	152,284	7,290	159,574	-	106,137	106,137
Fundraiser's fees	38,656	-	38,656	26,725	19,750	46,475
Donation/online fees	4,876	-	4,876	4,479	-	4,479
Sponsored event costs	33,549	-	33,549	3,411	-	3,411
Marketing	3,724	-	3,724	592	-	592
Website costs	3,671	-	3,671	3,747	720	4,467
Investment management costs	1,081	-	1,081	1,020	-	1,020
Governance costs (note 9)	1,693	1,629	3,322	553	1,157	1,710
Support costs (note 9)	4,342	13,349	17,691	551	6,185	6,736
	<u>243,876</u>	<u>22,268</u>	<u>266,144</u>	<u>41,078</u>	<u>133,949</u>	<u>175,027</u>

8. Analysis of expenditure on charitable activities

	Total 2023 £	Total 2022 £
Staff costs	1,153,174	997,260
Other staff costs	109,375	63,574
Volunteer costs	2,245	471
Property costs	222,641	201,282
Donated services (see footnote)	150,000	643,333
Donated goods for beneficiaries	1,244,384	725,823
Bought goods for beneficiaries	128,171	134,659
Consumables	22,242	12,213
Consulting and freelance	73,909	59,233
Insurance	5,495	2,394
Legal expenses	28,808	76,445
IT consultancy	176,758	82,425
Delivery and collection costs	131,191	99,586
Travel	3,545	4,509
Depreciation	6,250	6,250
Sundry costs	51,622	53,806
Advertising and marketing	15,269	-
Governance costs (see note 9)	25,023	16,066
Support costs (see note 9)	133,234	63,291
	<u>3,683,336</u>	<u>3,242,620</u>
Restricted expenditure	413,011	590,694
Unrestricted expenditure	<u>3,270,325</u>	<u>2,651,926</u>
	<u>3,683,336</u>	<u>3,242,620</u>

Donated services mostly comprise the cost of rental property donated for use by the charity. This is shown as income and expenditure in the accounts. The income is shown in note 3.

9. Analysis of governance and support costs

	Basis of apportionment	Support £	Governance £	Total 2023 £	Support £	Governance £	Total 2022 £
Staff costs	Staff time	135,863	19,405	155,268	64,300	12,026	76,326
Subscriptions	Direct costs	11,712	-	11,712	5,727	-	5,727
Audit fees	Direct costs	-	6,600	6,600	-	4,000	4,000
Accountancy services	Direct costs	3,350	2,340	5,690	-	1,750	1,750
		<u>150,925</u>	<u>28,345</u>	<u>179,270</u>	<u>70,027</u>	<u>17,776</u>	<u>87,803</u>
Support and governance costs are allocated to Cost of Raising Funds and Charitable Activities in proportion to the staff time spent on those activities.							
Fundraising		17,691	3,322	21,013	6,736	1,710	8,446
Charitable activities		133,234	25,023	158,257	63,291	16,066	79,357
		<u>150,925</u>	<u>28,345</u>	<u>179,270</u>	<u>70,027</u>	<u>17,776</u>	<u>87,803</u>

10. Net income/(expenditure) for the year

This is stated after charging/(crediting):	2023 £	2022 £
Depreciation	6,250	6,250
Operating lease rentals:		
Property	55,000	49,500
Auditor's remuneration - audit fees	6,600	4,000
Auditor's remuneration - accountancy fees	2,340	1,750
	<u> </u>	<u> </u>

11. Staff costs

Staff costs during the year were as follows:	2023 £	2022 £
Wages and salaries	1,324,353	1,069,565
Social security costs	116,188	89,792
Pension costs	27,475	20,366
	<u>1,468,016</u>	<u>1,179,723</u>
Allocated as follows:		
Cost of raising funds	159,574	106,137
Charitable activities	1,153,174	997,260
Support costs	135,863	64,300
Governance costs	19,405	12,026
	<u>1,468,016</u>	<u>1,179,723</u>

Employees receiving employment benefits > £60,000	2023 £	2022 £
In the band of £60,000 – £70,000	1	1

The average number of staff employed during the period was 55 (2022: 47).

The average full time equivalent number of staff employed during the period was 40 (2022: 31).

The key management personnel of the charity comprise the Trustees, the Chief Executive Officer and the senior management team. The total employee benefits of the key management personnel of the charity were £328,575 (2022: £257,097).

12. Trustee remuneration and expenses, and related party transactions

Neither the management committee nor any persons connected with them received any remuneration or reimbursed expenses during the year (2022: Nil).

Aggregate donations from related parties were £1,750 (2022: £60,580).

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

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by the charity, including guarantees, during the year (2022: nil).

13. Government grants

The government grants recognised in the accounts were as follows:	2023 £	2022 £
The National Lottery Community Fund	212,786	325,000
HMRC Employment Allowance	5,000	5,000
HS2 Camden Fund	-	16,667
Wandsworth Borough Council	-	5,000
DWP Access To Work	5,800	12,357
Greater London Authority – Advice In Community Setting	102,000	56,512
	<u>325,586</u>	<u>420,536</u>

There were no unfulfilled conditions and contingencies attaching to the grants.

14. Corporation tax

The charity is exempt from tax on income and gains falling within Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects. No tax charges have arisen in the charity.

Notes to the accounts

15. Fixed assets: tangible assets

Cost	Leasehold improvements £	Fixtures and fittings £	Computer equipment £	Total £
At 1 January 2023	45,810	9,374	2,684	57,868
At 31 December 2023	45,810	9,374	2,684	57,868
Depreciation				
At 1 January 2023	8,017	3,252	2,684	13,953
Charge for the year	4,581	1,669	-	6,250
At 31 December 2023	12,598	4,921	2,684	20,203
Net book value				
At 31 December 2023	33,212	4,453	-	37,665
At 31 December 2022	37,793	6,122	-	43,915

16. Stock

	2023 £	2022 £
New items donated	46,499	41,580
New items purchased	14,057	24,890
	<u>60,556</u>	<u>66,470</u>

Stock items comprise mattresses, toiletries, bottle teats and nappies.

17. Debtors

	2023 £	2022 £
Grants receivable	37,786	-
Trade debtors	390	2,070
Other debtors	13,750	13,750
Prepayments and accrued income	84,831	84,909
	<u>136,757</u>	<u>100,729</u>

18. Cash at bank and in hand

	2023 £	2022 £
Short term deposits	441,156	427,828
Cash at bank and in hand	2,044,454	1,559,325
	<u>2,485,610</u>	<u>1,987,153</u>

19. Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	83,228	37,140
Other creditors and accruals	68,025	129,094
Taxation and social security costs	30,522	30,866
	<u>181,775</u>	<u>197,100</u>

20. Analysis of movements in restricted funds

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2023 £
All sites					
Anonymous trust 1	10,000	5,000	(10,013)	-	4,987
Greater London Authority - Advice in Community Setting	3,764	102,000	(94,388)	-	11,376
The Liberal Jewish Synagogue High Holy Day Appeal	-	25,201	(22,202)	-	2,999
Anonymous donor 2	-	5,000	(5,000)	-	-
Anonymous donor 3	-	90,000	-	-	90,000
Quintessentially Foundation	-	10,000	(10,000)	-	-
Skipton Building Society Charitable Foundation	-	2,000	(455)	-	1,545
The Hollyhock Charitable Foundation	-	61,678	(61,678)	-	-
Julia and Hans Rausing	-	40,000	(6,572)	-	33,428
The National Lottery Community Fund	-	212,786	(212,786)	-	-
Tides Foundation / BlackRock	7,685	-	(7,685)	-	-
Brent Site					
The Social Change Agency	-	4,500	(4,500)	-	-
Total	21,449	558,165	(435,279)	-	144,335

Comparative period

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2022 £
All sites					
The National Lottery Community Fund	117	325,000	(325,117)	-	-
Anonymous donor	-	2,000	(2,000)	-	-
Anonymous trust	-	23,500	(13,500)	-	10,000
Greater London Authority – Advice In Community Setting	-	56,512	(52,748)	-	3,764
Anonymous donor	-	5,000	(5,000)	-	-
The Hollyhock Charitable Foundation	668	92,916	(93,584)	-	-
The Joseph Rowntree Foundation	30	40,000	(40,030)	-	-
Tides Foundation / BlackRock	3,670	17,285	(13,270)	-	7,685
Donations					
Powerscourt Estate	28	-	(28)	-	-
Goldman Sachs Giving – Simon Dangoor	-	75,000	(75,000)	-	-
Anonymous donor	-	1,620	(1,620)	-	-
Anonymous donor	30,000	-	(30,000)	-	-
Camden Site					
HS2 Camden Fund	15,841	16,667	(32,508)	-	-
The Morris Charitable Trust	948	-	(948)	-	-
Anonymous donor	-	10,000	(10,000)	-	-
Wandsworth Site					
Anonymous donor	-	23,000	(23,000)	-	-
Wandsworth Borough Council	-	6,290	(6,290)	-	-
Total	51,302	694,790	(724,643)	-	21,449

Name of restricted fund	Description, nature and purposes of the fund
All sites	
Anonymous trust 1	grant for baby bedding, wipes and nappies
Greater London Authority – Advice In Community Setting	funding for signposting programme “Advice in Community Setting”
The Liberal Jewish Synagogue High Holy Day Appeal	donation for a year’s salary for three staff members who manage the family liaison volunteer team
Anonymous donor 2	for signposting and guidance programme
Anonymous donor 3	for signposting and family connections work
Quintessentially Foundation	to support the development of the charity’s brand awareness leading to more families who are living in poverty receiving support for toiletries, nappies, wipes, etc
Skipton Building Society Charitable Foundation	
The Hollyhock Charitable Foundation	match funding for “Best Start for Newborns” project
Julia and Hans Rausing	purchasing goods for beneficiaries and covering cost of collecting items over the winter period
The National Lottery Community Fund	grant for staff costs at all sites and specific other costs at HQ
Tides Foundation / BlackRock	towards “ Best Start for Newborns” project
Brent Site	
The Social Change Agency	for beneficiaries within Brent, to deliver essentials to approximately 280 families in Brent living in poverty

21. Analysis of movements in unrestricted funds

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2023 £
General fund	1,229,718	3,928,961	(2,764,201)	(870,000)	1,524,478
Designated fund (premises and IT)	250,000	-	(250,000)	-	-
Designated fund (staff costs)	500,000	-	(500,000)	-	-
Designated fund (Three year capacity-building)	-	-	-	870,000	870,000
	<u>1,979,718</u>	<u>3,928,961</u>	<u>(3,514,201)</u>	<u>-</u>	<u>2,394,478</u>

Comparative period

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers £	Balance at 31 December 2022 £
General fund	1,172,027	2,850,695	(2,043,004)	(750,000)	1,229,718
Designated fund (premises and IT)	150,000	-	(150,000)	250,000	250,000
Designated fund (staff costs)	500,000	-	(500,000)	500,000	500,000
	<u>1,822,027</u>	<u>2,850,695</u>	<u>(2,693,004)</u>	<u>-</u>	<u>1,979,718</u>

Name of unrestricted fund	Description, nature and purposes of the fund
General fund	The free reserves after allowing for all designated funds
Designated fund	<p>2022 - To upgrade premises and IT infrastructure</p> <p>2022 - To safeguard staff costs</p> <p>2023 - Three year capacity-building fund to cover investment in technology development, Fundraising team costs and Marketing and Communications expertise. Please see the Trustees' Annual Report for further details.</p>

22. Analysis of net assets between funds

	General fund £	Designated funds £	Restricted funds £	Total 2023 £
Tangible fixed assets	37,665	-	-	37,665
Net current assets/(liabilities)	1,486,813	870,000	144,335	2,501,148
Total	<u>1,524,478</u>	<u>870,000</u>	<u>144,335</u>	<u>2,538,813</u>

Comparative period

	General fund £	Designated funds £	Restricted funds £	Total 20212 £
Tangible fixed assets	43,915	-	-	43,915
Net current assets/(liabilities)	1,185,803	750,000	21,449	1,957,252
Total	<u>1,229,718</u>	<u>750,000</u>	<u>21,449</u>	<u>2,001,167</u>

23. Operating lease commitments

In 2023, the charity held three leases at a peppercorn rent of £1 each. These were:

- A ten-year lease for its Brent site entered into in 2021;
- A 25-month lease for its Hounslow site which will end in June 2024;
- A five-year lease for its Camden site, entered into in 2023.

The charity also has a five-year lease for its Tooting site, entered into in 2022 at an annual cost of £55,000.

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

	Property 2023 £	Property 2022 £
Less than one year	55,000	55,000
One to five years	110,000	165,000
Over five years	-	-
	<u>165,000</u>	<u>220,000</u>

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

	2023 £	2022 £
Net income/(expenditure) for the year	537,646	127,838
Adjustments for:		
Depreciation charge	6,250	6,250
Dividends, interest and rents from investments	(88,502)	(24,305)
Decrease/(increase) in stock	5,914	(25,175)
Decrease/(increase) in debtors	(36,028)	(34,841)
Increase/(decrease) in creditors	(15,325)	151,228
Net cash provided by/(used in) operating activities	<u>409,955</u>	<u>200,995</u>

25. Contingent liability

The charity recognises a contingent liability of £90,000 in the accounts in 2023. This relates to a restricted grant of £90,000 with potential clawback conditions that are outside the charity's control. The likelihood of clawback is remote, but as the funder has made the donation from dormant client accounts, it is prudent to recognise this as a contingent liability in the accounts.

REFERENCE AND ADMINISTRATIVE INFORMATION

Charity number	1169735
Registered office and operational address	144-146 Tooting High Street, London SW17 0RT
Trustees	<p>The Trustees who served during the year and up to the date of this report were as follows:</p> <p>Olivia Gillan-Bower, Chair</p> <p>Geraldine Wright, Treasurer</p> <p>Helen Murphy, Secretary (resigned 4 December 2023)</p> <p>Matthew Chisambi (appointed 12 March 2024)</p> <p>Caley Eldred</p> <p>Marcia Holmes (appointed as Deputy Chair, 18 September 2023)</p> <p>Kate Husselbee (appointed 12 June 2023)</p> <p>Alan Lally-Francis (resigned 12 March 2024)</p> <p>Jacqui Penalver (appointed 12 June 2023)</p> <p>Katharine Sacks-Jones</p> <p>Helena Simpson</p>
Key Management	<p>Sophie Livingstone, Chief Executive</p> <p>Emily Compston, Head of Operations</p> <p>Clare Hill, Head of People (resigned 31 July 2023)</p> <p>Andrey Ashwell, Head of People (appointed 11 September 2023)</p>

Reference and administrative information

Aniq Read, Head of Finance

Angela Basso, Head of Fundraising

Hattie Foxwell-Corden, Head of Marketing and
Communications (appointed 5 June 2023)

Calleigh-Marie Lawrence, Head of Volunteering
(appointed 3 April 2023)

Bankers

Santander UK plc, Bridle Road, Bootle, Merseyside L30 4GB

HSBC UK Bank plc, 1 Centenary Square, Birmingham B1 1HQ

Statutory Auditors

Third Sector Accountancy Limited, Holyoake House,
Hanover Street, Manchester M60 0AS.

Footnotes

- i https://wp.littlevillagehq.org/wp-content/uploads/2022/04/RLTV06-It-Takes-a-Village.pdf?gl=1*1auwdkf*_ga*MTgwODg0MzQzOC4xNzAwNTAwNjA2*_ga_CTK716NF8Q*MTcwMDUwMDYwNi4xLjEuMTcwMDUwMDY5Mi4wLjAuMA.
- ii www.childhoodtrust.org.uk/wp-content/uploads/2023/04/London-Child-Poverty-Report-2023-1.pdf (p. 7).
- iii www.gov.uk/government/statistics/universal-credit-statistics-29-april-2013-to-12-october-2023/universal-credit-statistics-29-april-2013-to-12-october-2023.
- iv JRF Destitution in the UK report (2023) www.jrf.org.uk/report/destitution-uk-2023.
- v A DSSF study (2009) showed that 62.8% of children not receiving free school meals achieved at least 5 A*-C grades at GCSE, compared to 35.5% for children who received free school meals.
- vi Gutman, L., Joshi, H., Parsonage, M. & Schoon, I. (2015) Children of the new century: Mental health findings from the Millennium Cohort Study. London: Centre for Mental Health.
- vii <https://psycnet.apa.org/record/2002-10732-001>.
- viii Child Poverty Action Group (2017) The Effects of Poverty. <https://cpag.org.uk/child-poverty/effects-poverty>.
- ix <https://centreforearlychildhood.org/research/>.
- x <https://centreforearlychildhood.org/research/>.



Design and typesetting: Tom Hampson, reforma.london

**Baby things,
big impact.**

Doc ID: 3aa9e3c9249d95818d7abb74a37a969b71a5330a