

Kindred Squared

(A charitable company limited by guarantee)

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

For the year ended 31 May 2022

Kindred Squared

(A charitable company limited by guarantee)

TRUSTEES' ANNUAL REPORT (incorporating the Directors' Report)

The Trustees present their report together with the financial statements of the Charity for the year ended 31 May 2022. The Charity was incorporated as a company limited by guarantee on 30 May 2020 and registered as a charity on 28 July 2020. This is the charity's second reporting period since incorporation. The comparatives in these financial statements are prepared for the 366 days ended 31 May 2021.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Companies Act 2006, the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Reference and administrative details

The Trustees are appointed in accordance with the Terms and Conditions contained in the Charity's Memorandum and Articles of Association.

The Trustees who served during the year and up to the date of this report were as follows:

Ian Armitage
Frances Jacob
Jocelyn Stevenson

Registered Office

Third Floor
20 Old Bailey
London
United Kingdom
EC4M 7AN

Independent Examiner

Nicholas Sladden on behalf of
RSM UK Tax and Accounting Limited
25 Farringdon Street
London
EC4A 4AB

Bankers

C Hoare and Co.
37 Fleet Street
London
EC4P 4DQ

Company Number

12633929

Charity Registration Number

1190581

Kindred Squared

(A charitable company limited by guarantee)

TRUSTEES' ANNUAL REPORT (incorporating the Directors' Report)

Structure, governance and management

The Trustees are also Directors of the Company for the purposes of company law. The Board of Trustees has no sub-committees but has appointed advisors to assist in making recommendations to the Board. The Board aims to meet six times a year in face-to-face meetings and by conference call when required or circumstances dictate, subject to requirements. There shall be at least three Trustees on the Board.

Trustee induction and training

The Trustees as charity trustees and company directors have control of the Charity and its funds.

The Charity's Trustees are all familiar with the practical work of the Charity and their responsibilities as Trustees. All Trustees review relevant information from the Charity Commission and the Charity's advisors, as appropriate.

The Trustees shall consist of at least three persons who being individuals are over the age of 18, all of whom must be Members, support the Objects, have each signed a written declaration of willingness to act as a charity trustee and member of the charity.

Unless otherwise determined by the Trustees, the maximum number of trustees shall be seven.

Trustees are appointed by the Trustees for a term of up to three years. A retiring Trustee who is eligible may be reappointed two times. Thereafter, the Trustees (other than the Trustee in question) may, in the interests of the Charity and upon reasonable grounds, waive the maximum term upon which a person may serve as a trustee.

Management

The Charity's affairs are conducted on a day-to-day basis by Felicity Gillespie, director under direction of the Trustees.

Risk management

The Board of Trustees have reviewed the major risks and uncertainties to which the Charity is exposed. The Board is satisfied that the procedures in place are adequate to manage such risks appropriately. The major risk which the Charity faces is that its income is entirely derived from its founder, who is the Charity's only significant donor.

Public benefit statement

The Trustees have given consideration to the Charity Commission published guidance and consider that the Charity operates for the public benefit.

Objectives and activities

The object of the Charity is to advance for the public benefit, early child development and education in England and Wales, in particular, but without prejudice to the generality of the foregoing, by publicising the importance of early years development and education for the life chances, health and happiness of every citizen, extending understanding of its importance through research (and the dissemination of scientific research), collaboration and advocacy, in order to effect improvements in the early development of all children.

Powers

The Charity has the power to do anything within the law which may promote or help to promote the objects.

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TRUSTEES' ANNUAL REPORT (incorporating the Directors' Report)

Activities

Building on our research in the previous year in response to the lack of any national data on the scale of the 'not school ready' problem, we commissioned YouGov to conduct the second annual Reception Year Survey, in essence a school readiness survey of school professionals. The data showed that the low level of performance in getting our youngest ready for school is a chronic and serious problem. Half of children achieve the basic developmental milestones for their age prior to arrival in Reception and half of all children do not.

Mapping work of services available to families underscored again the importance of the role of health visitors just at the time when significant shortfalls in the number of health visitors were identified nationally, with considerable political debate around their role, deployment and importance. In partnership with the Sylvia Adams Trust we commissioned research into the return on investment of health visitors, working with academics from University College London (UCL) and the Institute of Health Visitors.

Work with the early years sector continued with a major new piece of research commissioned from the University of Oxford, into the problems created by delivery agencies using different data sets and definitions when measuring their activities. With responsibilities for local services split between health, education and social care teams, there is a persistent failure to measure and analyse the needs of families of young children and the efficacy of service provision. This major piece of research will work with a range of local authorities to map local needs, develop and test common language and assess how inter-agency data sharing can be improved for the benefit of young children and families.

Recognising the poor state of public and national finances and with an election on the horizon, we convened a group of leading Early Years (EY) academics, providers and charities to identify a small number of manifesto 'asks' which are clear, achievable and cost-effective. This work led to the commissioning of a significant piece of research with economists into alternative funding models for early childhood care and education. Their proposals simply use our scarce resources better than at present – a sensible housekeeping measure and one small step on the long journey to sound early years policy and indeed practice.

Achievements and performance

The 'school readiness' survey received considerable media coverage but critically became a touchstone for many conversations in the sector and with policy makers. It remains the only national survey of developmental readiness of children at the start, not end, of reception year.

The national rollout of the SEEN (Secondary Early Education in Neuroscience) began this year. This course equips young students with the foundation knowledge of brain development, some of the knowledge required to give children aged 0-5 a good start in life. Her Royal Highness the Duchess of Cambridge visited one of the schools running the programme to see for herself the response of the students engaging with the new curriculum. She hosted a lunch reception at Buckingham Palace for CEOs of the largest multi-academy trust chains, winning the commitment of all to rolling out the programme in their schools. Over two thousand students accessed the lessons and formal accreditation by largest provider of early childcare qualifications, CACHE, was achieved. The development of an equivalent set of lessons is now underway for the primary phase.

Our communications and coalition-building work have continued through the year with major projects shared organisations across the sector.

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TRUSTEES' ANNUAL REPORT (incorporating the Directors' Report)

Financial review

Financial results

During the year the Charity received donations totalling £400,500 (2021: £682,291). Total expenditure from charitable activities was £399,943 (2021: £589,141) of which support costs totalled £42,877 (2021: £36,875). The Charity made a donation for £1,000 to the National Childbirth Trust (2021: £20,000 to the Childhood Trust). This resulted in a surplus of £557 (2021: £93,150). The Trustees consider the financial position to be satisfactory.

Ian Armitage has formally committed to continue to provide financial support to Kindred so that it will meet its obligations as they fall due for the foreseeable future, and for a period of at least 12 months from the date of approval of these financial statements.

Reserves policy

The Charity's policy for unrestricted funds (which have not been designated for a specific use) should be maintained at a level equivalent to between six month's expenditure. The Trustees consider that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the Charity's current activities while consideration is given to ways in which additional funds may be raised.

The Charity's reserves at 31 May 2022 were £93,707 (2021: £93,150). As such, the Trustees are satisfied that the level of reserves at 31 May 2022 was appropriate.

Plans for the future

Our analysis of today's situation is that our nation does not allocate enough of our scarce resources of money, time, attention and skills to the task of bringing up our youngest citizens, as measured by the developmental milestones achieved at 4 years of age. This is evident when we look at the shortfall in day care capacity and the low level of understanding about early years parenting and confusion over responsibilities that research, (including the Kindred² Reception Year Survey) suggests exist. Therefore over the next three years we will see Kindred² focus more on educating the public about the importance of the early years to later life chances alongside educating students through schoolwork and carers too. Working with private, public and third sector partners, the campaign will increase awareness of the issue, provide new data supporting the scale of the problem and continue to develop solutions to some of the most intractable issues facing some families.

Thanks go to our team of energetic, smart and driven staff and contractors for their achievements over the past year. Nothing happens in a young enterprise without committed hard working people. We also thank all of the partner organisations we have worked with who have played a huge part in advancing the early years agenda. It takes more than a village to change policies. In particular we should mention the Royal Foundation, Early Years Alliance, London Early Years Foundation, the Sutton Trust, the Institute of Health Visitors and the Sylvia Adams Trust.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption.

30/03/23

Approved by the board of Trustees on and signed on its behalf by:



Ian Armitage
Chair

Kindred Squared

(A charitable company limited by guarantee)
Independent Examiners Report
for the year ended 31 May 2022

I report to the trustees on my examination of the accounts of Kindred Squared ('the company') for the year ended 31 May 2022, which are set out on pages 6 to 10.

Responsibilities and basis of report

As the trustees of the charitable company (and also its Directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charitable company's financial statements as carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination, I have followed the Directions given by the Charity Commission under section 145 (5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the financial statements present a 'true and fair view' and my report is limited to those specific matters set out in the independent examiner's statement.

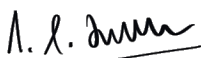
Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of The Institute of Chartered Accountants in England and Wales, which is one of the listed bodies.

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me reasonable cause to believe that in any material respect:

1. accounting records were not kept in respect of the charitable company as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.



Nicholas Sladden FCA DChA
The Institute of Chartered Accountants in England and Wales.

On behalf of RSM UK Tax and Accounting Limited
25 Farringdon Street
London
EC4A 4AB

Date: 30/03/23

Kindred Squared

(A charitable company limited by guarantee)

STATEMENT OF FINACIAL ACTIVITES

for the year ended 31 May 2022

| | Notes | Unrestricted funds | |
|--------------------------------------|-------|------------------------------|------------------------------|
| | | Year ended 31 May 2022 | Year ended 31 May 2021 |
| Income from: | | £ | £ |
| Donations | | 400,500 | 682,291 |
| | | <hr/> | <hr/> |
| Total income | | 400,500 | 682,291 |
| Expenditure on: | | | |
| Charitable activities | 2 | 399,943 | 589,141 |
| | | <hr/> | <hr/> |
| Net income and net movement in funds | 5 | 557 | 93,150 |
| | | <hr/> | <hr/> |
| Fund balances brought forward | | 93,150 | - |
| | | <hr/> | <hr/> |
| Fund balances carried forward | | 93,707 | 93,150 |
| | | <hr/> <hr/> | <hr/> <hr/> |

Kindred Squared

Company Registration Number: 12633929

(A charitable company limited by guarantee)

BALANCE SHEET

As at 31 May 2022

| | Notes | 2022 £ | 2021 £ |
|---|-------|-----------|-----------|
| Current assets: | | | |
| Debtors | 4 | 19,909 | - |
| Cash at bank and in hand | | 97,493 | 115,060 |
| | | 117,402 | 115,060 |
| Creditors: Amounts falling due within one year | 5 | (23,695) | (21,910) |
| Net current assets and net assets | 6 | 93,707 | 93,150 |
| The funds of the Charity | | | |
| Unrestricted funds | 6 | 93,707 | 93,150 |

For the year ended 31 May 2022, the charitable company was entitled to exemption from audit under section 477 of the Companies Act 2006 (the Act) relating to small companies.

The Trustees' and Directors' responsibilities:

- The members have not required the charitable company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Act; and
- The Trustees and Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

30/03/23

Approved and authorised for issue by the Board of Trustees on and are signed on their behalf by

IAN ARMITAGE

Ian Armitage
Chair

The notes on pages 8 to 10 form part of these financial statements.

Kindred Squared

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NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 May 2022

1. Accounting Policies

Kindred Squared is a charitable company incorporated in England. The address of the Charity's registered office is Third Floor, 20 Old Bailey, London, United Kingdom, EC4M 7AN.

The Charity's principal activities are disclosed in the Trustees' report.

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 financial statements in accordance with the accounting policies set out in the notes to the financial statements and comply with the Charity's governing document, the Companies Act 2006, the Charities Act 2011, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

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

Going concern

The Charity has been funded by donations from Ian Armitage, who has indicated his willingness to continue to provide support for a period of at least twelve months from approval of the financial statements. On this basis, the Trustees consider it appropriate to prepare the financial statements on a going concern basis. There are no material uncertainties in making this assessment.

Reporting period

The Charity was incorporated as a company limited by guarantee on 30 May 2020 and registered as a charity on 28 July 2020. As such, the comparative in these financial statements is for the 366-day period ended 31 May 2021.

Donations

Donations are recognised in the period when the Charity has entitlement to the income, it is probable the income will be received and the monetary value can be measured with sufficient reliability. Donated services or facilities are included within the Statement of Financial Activities, where material, at the estimated fair value of an equivalent service or facility, where the benefit to the Charity is reasonably quantifiable and measurable.

Expenditure

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

Charitable expenditure includes the direct costs of the activities. Where such costs relate to more than one category, they have been apportioned on a percentage basis.

Governance costs

Governance costs include all expenditure related to the governance of the Charity, including independent examination fees.

Funds

Unrestricted funds comprise those funds which the Trustees are free to use for any purpose in furtherance of the charitable objects.

Kindred Squared

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NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2022

1. Accounting policies (continued)

Taxation

Kindred Squared is a registered charity and undertakes activities which, under present legislation, are not subject to taxation.

Cash and cash equivalents

Cash and bank balances include cash and short term highly liquid investments with a maturity of three months or less from the date of acquisition.

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 amortised cost using the effective interest method.

2. Expenditure on charitable activities

| | Support costs | Research | Unrestricted Funds Strategy and communications | Total 2022 | Total 2021 |
|----------------------------|---------------|----------|---|------------|------------|
| | £ | £ | £ | £ | £ |
| Grants payable (see below) | - | 1,000 | - | 1,000 | 20,000 |
| Survey costs | - | 85,328 | - | 85,328 | 69,300 |
| Campaign costs | - | - | 21,564 | 21,564 | 75,687 |
| Project fees | - | 45,660 | - | 45,660 | 178,794 |
| Consultancy fees | - | 5,032 | 15,097 | 20,129 | 201,405 |
| Staff costs (see note 3) | - | 39,375 | 118,125 | 157,500 | - |
| Travel | - | - | 679 | 679 | - |
| Summer events | - | - | 12,197 | 12,197 | - |
| Film production | - | - | 1,242 | 1,242 | - |
| Early years meeting | - | - | 767 | 767 | - |
| Recruitment | 6,000 | - | - | 6,000 | - |
| Website fees | 7,494 | 11,000 | - | 18,494 | 28,437 |
| Office rental | 4,180 | - | - | 4,180 | - |
| Other expenses | 5,606 | - | - | 5,606 | - |
| Accountancy | 6,750 | - | - | 6,750 | 5,880 |
| Professional fees | 11,970 | - | - | 11,970 | 9,161 |
| Bank charges | 877 | - | - | 877 | 477 |
| | 42,877 | 187,395 | 169,671 | 399,943 | 589,141 |

Accountancy includes amounts paid to RSM UK Tax and Accounting Limited for financial reporting fees of £3,990 (2021: £3,480) and independent exam fees of £2,760 (2021: £2,400). Included within professional fees is £833 (2021: £Nil) also paid to RSM UK Tax and Accounting Limited for company secretarial compliance services.

Grants payable:

| | 2022 £ | 2021 £ |
|---------------------------|-----------|-----------|
| National Childbirth Trust | 1,000 | - |
| Childhood Trust | - | 20,000 |

Kindred Squared

(A charitable company limited by guarantee)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 May 2022

3. Staff and trustee remuneration

| | 2022 Number | 2021 Number |
|--|----------------|----------------|
| The average number of monthly employees employed by the charity (excluding trustees) was as follows: | 3 | - |
| | <hr/> | <hr/> |
| | 2022 £ | 2021 £ |
| Staff costs for the above persons: | | |
| Wages and salaries | 138,615 | - |
| Social security | 16,866 | - |
| Pension costs | 2,019 | - |
| | <hr/> | <hr/> |
| | 157,500 | - |
| | <hr/> | <hr/> |

One employee received total emoluments between £80,001 - £90,000 (2021: none)

The Trustees are the key management personnel of the charitable company. The Trustees received no remuneration for their services provided to the charitable company during the year and received no compensation for expenditure incurred.

| 4. Debtors | 2022 £ | 2021 £ |
|---|-----------|-----------|
| Other debtors | 19,909 | - |
| | <hr/> | <hr/> |
| 5. Creditors: Amounts falling due within one year | 2022 £ | 2021 £ |
| Accruals | 16,501 | 21,910 |
| Other taxation and social security | 6,631 | - |
| Other creditors | 563 | - |
| | <hr/> | <hr/> |
| | 23,695 | 21,910 |
| | <hr/> | <hr/> |

6. Analysis of net assets between funds

All assets represent unrestricted funds.

7. Related Party Transactions

During the year, the Charity received unrestricted donations totalling £400,000 (2021: £682,291) from Mr Ian Armitage, a Trustee.