



thrive at five

ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2022

LEGAL ADMINISTRATIVE INFORMATION

Trustees	L Joy OBE	(Appointed 5 July 2021)
	G Gordon OBE	(Appointed 5 July 2021)
	M Davies MA, MSc	(Appointed 5 July 2021)
	L Holst	(Appointed 1 December 2021)
	Dr J Grenier CBE	(Appointed 15 March 2022)
	B Levinson OBE	(Appointed 15 March 2022)
	R Radhakrishnan	(Appointed 15 March 2022)

Charity number 1195059

Independent Auditors Gerald Edelman LLP
73 Cornhill
London
EC3V 3QQ

Bankers CAF Bank
Kings Hill
West Malling
Kent
ME19 4JQ

Registered office 18 Buckingham Palace Road
London
SW1W 0QP



CONTENTS

Chief Executive Officer's Report	4-8
Trustees' report	9-14
Statement of Trustees' responsibilities	15
Independent auditor's report	16-19
Statement of financial activities	20-23
Balance sheet	21
Statement of cash flows	22
Notes to the financial statements	23-30

**CHIEF EXECUTIVE
OFFICER'S REPORT
FOR THE PERIOD ENDED 30
JUNE 2022**

Our Vision

Thrive at Five's vision is a society where every child can thrive.

Our Mission

The mission of the charity is to help children in their early years develop strong foundations for life and learning. We build capacity in communities by supporting parents and carers and we enable collaboration across the public, private and voluntary sectors to achieve sustainable change in early years outcomes.

Vision, Mission and Values

Thrive at Five's vision is a society where every child can thrive.

The mission of the charity is to help children in their early years develop strong foundations for life and learning. We build capacity in communities by supporting parents and carers and we enable collaboration across the public, private and voluntary sectors to achieve sustainable change in early years outcomes.

Thrive at Five has established the following core values that guide our work. The board and the staff team are focused on ensuring that these values are front of mind in Thrive at Five's work and collaboration with partners.

We believe in the power and courage of parents and communities to support and protect their children and we value:

Listening

We make sure that by listening we have understood everyone's perspectives, especially people whose voices are rarely heard, before we plan and act.

Collaboration

We take time to build meaningful relationships founded on trust and collaboration with parents, communities and our partners, so we can co-create and achieve more together.

Kindness

Through kindness, we befriend, see the best in each other and dispel hostility, so we can get more done.

Endurance

Lasting change is not straightforward and requires endurance to find what works and can be sustained in communities everywhere.



First Year Review

Collaboration is at the heart of how Thrive at Five sets about achieving this vision and our mission. We know from all those, in the UK and abroad, who seek to deliver collective impact that collaboration takes patience, determination and a commitment to a set of shared goals and objectives. The children, families and communities that Thrive at Five sets out to support benefit hugely if those who want to help them pull together in the same direction. Working in our first pathfinder area in Stoke-on-Trent, we have been greatly encouraged by the many examples of seeing this in action in the past year. From cross public sector groups of practitioners and executives coming together to jointly explore and understand the challenges and opportunities to deliver better outcomes in the early years, to the planning of a joint initiative (involving parents, local and national voluntary organisations, nurseries, schools and the Local Authority) to support children transitioning into nursery and school. As Thrive at Five and our partners and collaborators see positive outcomes for the children in their earliest formative years, we believe that this will strengthen stakeholders’ resolve for further collaboration.

We would like to pay tribute to the many partners with whom we have worked this year, including NESTA, Dartington Services Design Lab, The Early Intervention Foundation, The Department for Education, the Centre for Social Justice, the LEGO Group and the LEGO Foundation, BBC Tiny Happy People,

the National Literacy Trust, Stoke-on-Trent Local Authority, Midlands Partnership Foundation Trust, Office of the Police and Crime Commissioner (Staffordshire), the Hubb Foundation, Stoke City Football Club, Staffordshire University, Carmountside Primary Academy, Abbey Hulton Primary, Our Lady & St Benedict Catholic Academy, Kingsland C.E. Academy, St Maria Goretti Catholic Academy, Eaton Park Academy, Maple Court Academy, Bentilee Nursery, Rosy Cheeks nursery, Tiny Toez nursery, Kingsland Sparks nursery, Little Explorers nursery, St John’s Church (Abbey Hulton), St Stephen’s Church (Bentilee), Stoke-on-Trent YMCA, Made in Stoke-on-Trent Network, The Alice Charity and the Sutton Community Trust.

“They say that it takes a village to raise a child. But if you’re a family that’s under immense pressure, maybe living in poor social temporary housing, maybe experiencing poverty, perhaps one or both parents has mental health issues, it is very difficult to find that village. And the state doesn’t help as we don’t join up the services and instead, we expect these families to join them up themselves. What Thrive at Five does is that it says “Actually, we need to do that joining up. We need a comprehensive and holistic approach to how we relate to families. We don’t condescend and we don’t patronise. But we work to adjust and adapt the services and the help the families need, so they can actually make progress and ultimately thrive. So, one of the most important things that Thrive at Five does is that it joins up all of that together with a single model, a single approach. And it is us who have to work hard rather than the families themselves, who can actually concentrate on raising their children in the village.”

Jon Rouse, City Director, Stoke-on-Trent City Council

At the heart of the Thrive at Five model is the belief in the positive power of parents and communities to create lasting change and positive impact on outcomes for children in their early years. Thrive at Five is designing a national model around parent and community participation that is being tested and refined in pathfinder areas and then evaluated to inform a nationally replicable framework.

“I think what you’re aiming to do is a fantastic idea... I’m just a mum and as a mum I really appreciate people like you who come Stoke and want to help mums like me. We are a deprived area, but we love our kids and if we have the chance to make things better for them we will... I would love to be updated along the way and if there is anything I can do to help I will.” Parent in Stoke-on-Trent, Thrive at Five’s first pathfinder.

In the work in Stoke-on-Trent in the past year, we have been privileged to work with parents, carers, professionals and communities that are striving to do the best for the children in the early years in their care. They work to ensure their children are physically and mentally resilient, that they have the best chance in life to thrive and that they are on track socially, emotionally and physically with their development.

Thrive at Five has moved at pace to become fully operational in its first year establishing the initiative’s first pathfinder in Stoke-on-Trent. Responding to pressing need, Thrive at Five co-developed and delivered its first significant project – “Ready Steady Stoke”. The project focused on helping three- and four-year-olds significantly impacted by the Covid pandemic with their transition into nursery and school. Starting in June and running through the summer holidays, it has demonstrated the potential for impactful collective action between nurseries, schools, statutory authorities and voluntary and community organisations. Harnessing relationships with national organisations, Thrive at Five brought LEGO, BBC’s Tiny Happy People and National Literacy Trust to join the combined forces of local voluntary services and other stakeholders.

As well as supporting children and parents locally, “Ready Steady Stoke” has allowed Thrive at Five to build trust and to grow relationships with a diverse group of individuals and organisations who are key to the success of the work in the short and long term.

The Big Play community events, which were an element of “Ready Steady Stoke”, provided important opportunities to engage with local parents and carers, and their children. Commenting on these events, Filipe Gaspar, Social Impact and Partnerships Intern, the LEGO Group said:

“There were profound moments of interaction; there were often moments of triangulation, in which you had both child and the parent and the facilitator present and in dialogue, which I suppose is the ultimate objective – not only to engage with the children but to get the parents involved in this process and bring awareness to the importance of play and how to play with children, how to be constructive in our play and how to listen to what they’re communicating to us. And I thought in the overwhelming majority of cases that happened.”



Progress has been achieved at a time of unprecedented challenge for the children and families which the charity seeks to support. During the first six months, when the country was in and out of lock-down, access to professional help, to midwives and health visitors, to nursery workers and early years teachers was limited. Pregnant and new parents and carers with babies and toddlers were isolated from their communities, with little support in the crucial first months and years of early childhood development. The long-term legacy of the Covid pandemic is a significant increase in the number of children who are not ready for nursery and school. For example, in Stoke-on-Trent, the first pathfinder for Thrive at Five, over 40% of children were not on track with their development when they started the academic year in 2021, aged 3 or 4 years old. There could not, therefore, be a more important time for Thrive at Five to be supporting parents and communities through collective action so every child can develop strong foundations for life and learning.



Children playing with donated DUPLO from LEGO, at The Big Play event (part of Ready Steady Stoke), summer 2022



A father and his child being taught to play rounders, at The Big Play event (part of the Ready Steady Stoke project) in Stoke-on-Trent, summer 2022

Looking ahead

In Stoke-on-Trent, the nurseries and schools were quick to take up the opportunity of additional support that Thrive at Five offers. Building on this momentum in the year ahead increasing the capacity for high quality early years education and childcare will continue to be a focus, to ensure efforts are leading to improved levels of development as children enter and progress through the nursery and school system. Concurrently Thrive at Five will support early years settings and local voluntary organisations, working together with early years practitioners, as they seek to increase the knowledge and skills of parents of younger, pre-nursery aged children through regular “stay and play” parenting programmes and community events. Improving child outcomes for the long term, sustainably, means working closely with parents, and helping them to foster rich home learning environments.

'Over the summer holidays, I've noticed a huge difference, all of the family have said what a difference within the past few...weeks it's made. So being able to take part in those things has really helped him a lot, it's brought him out of himself. At one point he was so unconfident, he wasn't confident at all. Now he's happy to go and spend time with other children away from me, so he doesn't need me there by his side. So, he's getting that independence, what he'll need to actually start nursery.' Parent, Stoke-on-Trent

Thrive at Five’s ‘backbone’ team in Stoke-on-Trent will continue to co-produce solutions with parents, co-deliver them with Community Champions and align all this work with the key priorities for statutory authorities.

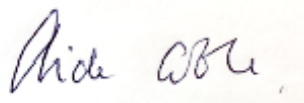
Economic instability has increased levels of hardship experienced by many families in Bentilee and Abbey Hulton, the areas of Stoke-on-Trent where Thrive at Five is focused. Collaborating with partners who respond to families’ practical needs by providing the basics, from food to baby equipment, will become a necessary element of the charity’s work.

The national team has been scoping potential second and third pathfinder areas. A key focus for the next year will be to identify and get work underway in a next pathfinder, as Thrive at Five continues to refine its collective impact model for working collaboratively to support children in their early years to develop strong foundations for life and learning.

Acknowledgments

Finally, we wish to thank our cornerstone funders and donors that have believed in the vision for Thrive at Five and who have supported the charity through the early stages of its work with commitment and enthusiasm. We thank Stoke-on-Trent City Council Local Authority, Denise Coates Foundation, the Ethos Foundation, the LEGO Foundation and the LEGO Group, KPMG Foundation, Segelman Trust, Peter Coates, Kindred Squared, CHK Foundation and The Robin Leith 2003 Charitable Trust, for their confidence and ongoing and support. We thank these organisations and all our supporters for all they do to make our work possible.

We are also indebted to all those who have donated their skills and expertise over the past year. There have been many who have volunteered to give us their time including Robert Cresswell, Marianne Wilson, Sohini Pramanick, Allen & Overy (Mark O’Connell and Karla Hughes) and Ashley Roughton. We are incredibly grateful to all of those who are making our work possible.



Aida Cable
Chief Executive Officer
6 March 2023



ANNUAL REPORT

FOR THE PERIOD ENDED 30 JUNE 2022

The Trustees present their annual report and financial statements for the period ended 30 June 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, 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 (FRS 102)" (effective 1 January 2019).

Objectives and activities

Thrive at Five is a collective impact initiative, aiming to help children in their early years develop strong foundations for life and learning.

Guided by collective impact principles, Thrive at Five aims to make a difference to outcomes for children in their early years by:

- harnessing the power of parents and communities to provide support for their children and for their peers, and by ensuring parents' views are used to inform strategies for early years support
- providing dedicated capacity to support effective collaboration between the public, private and voluntary sectors
- changing ways of working locally and nationally to improve and strengthen the provision of help for parents and children
- ensuring that local early years strategies are informed by evidence and science

Thrive at Five is working to build trusted relationships both with parents and local communities as well as with the decision makers from the public, private and voluntary sectors, acting as a bridge between these stakeholders.

We aim to extend Thrive at Five's work to 4 to 5 pathfinder sites across England and Scotland, building on our start in Stoke-on-Trent. Through testing, learning and refining local activities in support of the early years this will help to provide learning and knowledge that can guide policy and practice nationally. Together with the Early Intervention Foundation (supported by the Department for Education) Thrive at Five is developing a sustainable framework that can be replicated nationally.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

Achievements and performance

Thrive at Five has gained momentum during its first full 12 months of operation. In the first pathfinder area – Stoke-on-Trent – the first phase of discovery work was completed; the governance structure was consolidated; and there has been some progress in early testing of the collective impact model.

Time has been spent building trust and relationships with the local community and with other key stakeholders. Through these efforts a coalition of willing actors was identified, including a first group of community champions, who were trained by LEGO and went on to deliver some of the first initiatives to improve the readiness of children to start nursery and primary school in 2022.

It has been important to carefully balance shorter term objectives with an ambition to catalyse long-term systems change focused on a common agenda for lasting and sustainable impact, both in our first pathfinder and nationally. This meant running two work streams in parallel in Stoke-on-Trent: as well as supporting the delivery of priority projects in 2022, the learning from the discovery phase was used to co-design longer-term strategies, in partnership with a cross-section of stakeholders from the public, private and voluntary sectors.

The challenges are considerable in an area in Stoke-on-Trent where a high level of deprivation is combined with significant numbers of children going into care and continual funding challenges. Yet local stakeholders have embraced working with Thrive at Five in a positive and open way, demonstrating their genuine enthusiasm for seeing the very real opportunities to work together to improve the outcomes for local children. The collective focus of the initiative on a clear measurable goal in school readiness, using the good level of development (GLD) summative assessment, has proved to be a powerful tool in encouraging collaboration and unlocking the information needed to co-develop strategies.

Thrive at Five sets out to make decisions based on the principles of shared measurement. Early work in Stoke-on-Trent demonstrates there is an untapped mine of data that could be more fully utilised to identify where problems lie and shared to promote joint working to improve outcomes. Thrive at Five has access to some of that data and with it, an opportunity to encourage new ways of working, including data-informed and evidence-informed practice.

Thrive at Five has found parents and practitioners who are trying to drive change through their own efforts and who are happy to work collaboratively to scale up their endeavours. The nurseries and schools are particularly keen to be involved and a local nurseries and schools' network has been established, bringing them together for the first time to discuss how they will collaborate. Summer 2022 saw the roll out of a first substantial initiative, "Ready Steady Stoke". The project focused on helping three- and four-year-olds significantly impacted by the Covid pandemic, with their transition into nursery and school. A core project team of diverse stakeholders was created and supported to design, develop, and deliver community engagement events with the school and nursery network leading a programme of enhanced school/parent engagement. A full evaluation has been undertaken including practitioner and parent feedback as well as early communication screen results. Initial feedback on the "Big Play" community event from feedback forms and collaborators has been encouraging and key highlights include:

- Engaging with parents helped them learn about child development and about things they could do to support their children at home.

88% of the parents who fed back immediately said they learnt about activities they could do with their child at home. One activity provider reported:

‘One dad was so amazed by his daughter's confidence. He'd not seen her in that kind of setting before’.

‘I did a lot of the memory game with the children and parents, and I saw a lot of parents quite taken back [saying] “Oh, that’s brilliant”. They were kind of praising the little one, saying “oh right, you actually...remember this, that’s brilliant”.

‘I think Mouse Club is great. I think from the point of view of a parent, to have structure as to the things to be doing with your child I think is a real positive. I think from the point of view of us at school, to know that this is what everyone has been engaging with, lets us know more about the playing field we’re working with’.



- Schools having the opportunity to work with children before they start at nursery and school helps to ensure that children are ready and prepared for school

‘Teachers and support staff have had the opportunity to engage with both children and parents on a regular basis, enabling any areas of concern to be highlighted and addressed. These have included giving parents advice on toilet training prior to the start of the academic year, strategies on behaviour management, nutrition advice and general discussions around what they should expect when starting school’

- Bringing a cross-sector group of stakeholders working on similar issues together, creates opportunities for quick wins and to build trust in Thrive at Five

‘There was a real professional feel to the event, I think that it felt like every element of the event was thought through quite thoroughly and that is a complement to your work...and that gives confidence to the people taking part and the people attending as well’

‘There was an amazing sense of camaraderie’



Financial review

Income

Total income for the first financial year ended 30 June 2022 was £1,401,306, of which £579,454 was restricted to activities in Stoke. Unrestricted income was primarily raised from a small cohort of cornerstone funders.

Expenditure

Total expenditure amounted to £376,183 and is analysed below.

Staff and support costs:

In our first financial year staff costs, including recruitment fees comprised approximately 60% of total expenditure. Recruiting and investing in the right staff is critical to the success of Thrive at Five, which represents itself as a backbone organisation. Thrive at Five operates as a critical friend to facilitating collaboration and bringing knowledge, expertise and resources to support systems change.

Fundraising Activities:

Our fundraising activities, including our fundraising consultant and database accounted for £52,400 of our total expenditure.

Discovery & Co-design costs:

During the year we engaged Dartington Services Design Lab and Nesta to undertake a deep dive quantitative and qualitative review of our first pathfinder area. This was a critical first step to identifying where the organisation and our local partners should focus our efforts.

Programmatic Activities:

Responding to the need in the community we launched "Ready Steady Stoke" to help children in Stoke-on-Trent transition into nursery and school. We incurred £18,790 of cost on the programme in the financial year and continued to support this initiative during the school holidays, which will be reflected in our next financial statements.

Reserves

As part of our effective financial management, we will hold funds to ensure Thrive at Five maintains free unrestricted reserves:

- to provide a level of working capital that protects the continuity of our core work in the event that we do not generate income of the amount or at the pace assumed in our business plan
- to provide a level of funding for unexpected opportunities
- to provide cover for risks such as unforeseen expenditure or unanticipated loss of income.

To meet the criteria, Thrive at Five will set aside 6 months of budgeted working capital requirements as reserves. The balance held in reserves amounted to £350,000 at 30 June 2022 and 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 board of trustees will review the above criteria annually with reference to Thrive at Five’s strategy and Annual Plan and determine the target level of free reserves to meet these.

The Trustees take a prudent approach regarding the investment of surplus funds. The trustees have considered the most appropriate policy for investing funds is currently within our savings bank accounts.

The Trustees have reviewed the risks associated with the charity's operations and have developed policies designed to mitigate such risks to a reasonable level. Such policies will be regularly reviewed and updated.

The charity holds restricted funds as detailed in note 16. The balance held at 30 June 2022 was £409,475.

Plans for future periods

The national team has now begun scoping new pathfinder areas in England and Scotland. In England we are exploring the potential for a site in the North East. In Scotland we have had positive interest from key stakeholders coupled with the consistent message that Thrive at Five needs to be fit for purpose in the context of different legislative and public sector structures. Our priority is commissioning a research and framing paper that will help us to position the Thrive at Five model in the Scottish context and identify a pathfinder area.

In each additional area where Thrive at Five commits, the charity will require sufficient funds to resource the start-up costs, local team and any planned programme expenditure.

To underwrite the funding required for each area the charity aims to have secured income pledges covering no less than the first three-years expenditure.

Structure, governance and management

The charity was established by a constitution dated 5 July 2021 and was formed as a Charitable Incorporated Organisation.

Prior to registration as a charity the organisation was incubated through the initial start up phase by the Childhood Trust (charity number 179329). A transfer agreement was executed on 12 November 2021, transferring all assets to Thrive at Five.

The charity is governed under its Constitution adopted on incorporation.

Board of Trustees

The Board of Trustees is the key organ of governance for the organisation in charge of directing and controlling how the charity achieves its mission while managing risk. All trustees gave their time freely and no trustees received remuneration in the year. On incorporation the charity had three trustees. This team has been expanded during the year with four further recruits and we have been delighted to welcome onto our Board Lesley Patricia Holst, Ben Levinson OBE, Dr Julian Grenier CBE and Radhika Radhakrishnan.

Together the Board of Trustees bring a wealth of experience and knowledge to enhance the charity’s governance and strategic planning. The Trustees meet formally four times a year under the joint chairmanship of Grant Gordon OBE and Larissa Joy OBE.

The Trustees who served during the period and up to the date of signature of the financial statements were:

L Joy OBE	(Appointed 5 July 2021)
G Gordon OBE	(Appointed 5 July 2021)
M Davies MA, MSc	(Appointed 5 July 2021)
L Holst	(Appointed 1 December 2021)
Dr J Grenier CBE	(Appointed 15 March 2022)
B Levinson OBE	(Appointed 15 March 2022)
R Radhakrishnan	(Appointed 15 March 2022)

The Board of Trustees as a body can appoint new members to act on behalf of the charity under the statutory power given to them. On appointment new Trustees are appraised of the constitution, financial and all other relevant matters appertaining to the charity. They are also advised as to the responsibilities placed upon them as Trustees pursuant to charity law and good practice. Where considered necessary appropriate training is provided both initially and on an ongoing basis.



Leadership & Staff

We are fortunate to have recruited Aida Cable as Thrive at Five’s first Chief Executive Officer. Aida joined Thrive at Five in July 2021 from the Royal Foundation of the Prince and Princess of Wales, where she had spent 7 years working specifically in early years and mental health. This, together with Aida’s long-standing trusteeship at Family Action, has meant that she has come to the role leading Thrive at Five with an innate and informed understanding of the complexity of the sector, the many challenges faced by families across the UK and with a broad range of existing working relationships. We are delighted that Aida has built a small and highly experienced team around her to support the organisation’s work nationally including in our first pathfinder area Stoke-on-Trent.

Thrive at Five has 6 employees including Aida Cable who as Chief Executive Officer has responsibility for developing the charity’s strategic plan. Of the 6 paid employees, 4 are in the national team and 2 in the Stoke local area team, and we are supported by our consultant financial director, and a fundraising consultant.

Public Benefit Statement

The Trustees confirm that in their opinion, they have complied with their duty to have due regard to the guidance on public benefit published issued by the Charity Commission, in the exercise of their powers and responsibilities as detailed in the trust deed and under charity law.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees report was approved by the Board of Trustees on the 6th March 2023 and signed on its behalf by:

Larissa Joy OBE
Trustee

DocuSigned by:
Larissa Joy
BCD540E6A6294F1...



STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE PERIOD ENDED 30 JUNE 2022

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

The law applicable to charities in England and Wales 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 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 accounting standards 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 sufficient 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 Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

The logo for 'thrive at five' is centered on the page. It features the text 'thrive at five' in a lowercase, sans-serif font. Below the text is a large, white, stylized smiley face that spans most of the width of the page. The smiley face consists of two solid white circles for eyes and a thick, white, curved line for a mouth.

thrive at five

**AUDITOR'S REPORT
TO THE TRUSTEES OF THRIVE AT
FIVE**

Opinion

We have audited the financial statements of Thrive at Five (the 'charity') for the period ended 30 June 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 30 June 2022 and of its incoming resources and application of resources, for the period 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 annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees responsibilities, 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 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 the Act and relevant regulations made or having effect thereunder.

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.

Our audit procedures were primarily directed towards testing the accounting systems in operation upon which we have based our assessment of the financial statements for the period ended 30 June 2022.

We planned our audit so that we have a reasonable expectation of detecting material misstatements in the financial statements resulting from irregularities, fraud or non-compliance with law or regulations.



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

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations.
- Enquiring of management of whether they are aware of any non-compliance with laws and regulations.
- Enquiring of management whether they have knowledge of any actual, suspected or alleged fraud.
- Enquiring of management their internal controls established to mitigate risk related to fraud or noncompliance with laws and regulations.
- Discussions amongst the engagement team on how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following areas; posting of unusual journals.
- Obtaining understanding of the legal and regulatory framework the company operates in focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations. The key laws and regulations we considered in this context included UK Companies Act 2006, tax legislation, data protection, anti-bribery, employment and health and safety.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships.
- Audited the risk of management override of controls, including through testing journal entries for appropriateness and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but are not limited to:

- Agreeing financial statements disclosures to underlying supporting documentation.
- Reviewing minutes of meetings of those charged with governance.
- Enquiring of management as to actual and potential litigation claims.

The test nature and other inherent limitations of an audit, together with the inherent limitations of any accounting and internal control system, mean that there is an unavoidable risk that even some material misstatements in respect of irregularities may remain undiscovered even though the audit is properly planned and performed in accordance with ISAs (UK). Furthermore, the more removed that laws and regulations are from financial transactions, the less likely that we would become aware of non-compliance.

Our examination should therefore not be relied upon to disclose all such material misstatements or frauds, errors or instances of non-compliance that might exist. The responsibility for safeguarding the assets of the company and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with the directors.

A further description of our responsibilities is available on the Financial Reporting Council's website at: [https:// www.frc.org.uk/auditorsresponsibilities](https://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

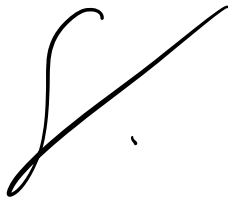
Other matters

Your attention is drawn to the fact that the charity has prepared financial statements in accordance with "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended) in preference to the Accounting and Reporting by Charities: Statement of Recommended Practice issued on 1 April 2005 which is referred to in the extant regulations but has now been withdrawn.

This has been done in order for the financial statements to provide a true and fair view in accordance with current Generally Accepted Accounting Practice.

Use of our 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.



Stephen Coleman ACA (Senior Statutory Auditor)
for and on behalf of Gerald Edelman LLP
Chartered Accountants
Statutory Auditor
6 March 2023

73 Cornhill
London
EC3V 3QQ

Gerald Edelman LLP is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE
ACCOUNT

FOR THE PERIOD ENDED 30 JUNE 2022

	Notes	Unrestricted funds £	Restricted funds £	Total 2022 £
Income :				
Donations and legacies	3	786,334	533,333	1,319,667
Investments	4	80	-	80
Other income	5	35,438	46,121	81,559
Total income		821,852	579,454	1,401,306
Expenditure on:				
Raising funds	6	52,400	-	52,400
Charitable activities	7	153,804	169,979	323,783
Total expenditure		206,204	169,979	376,183
Net income for the period/ Net movement in funds		615,648	409,475	1,025,123
Fund balances at 5 July 2021		-	-	-
Fund balances at 30 June 2022		615,648	409,475	1,025,123

The statement of financial activities includes all gains and losses recognised in the period.

All income and expenditure derive from continuing activities.


BALANCE SHEET

AS AT 30 JUNE 2022

	Notes	2022 £	£
Fixed assets			
Tangible assets	11		3,614
Investments	12		<u>1</u>
			3,615
Current assets			
Debtors	13	200,000	
Cash at bank and in hand		<u>869,456</u>	
		1,069,456	
Creditors: amounts falling due within one year	14	<u>(47,948)</u>	
Net current assets			
			1,021,508
Total assets less current liabilities			<u>1,025,123</u>
			<u>1,025,123</u>
Income funds			
Restricted funds	16		409,475
Unrestricted funds			<u>615,648</u>
			<u>1,025,123</u>

The financial statements were approved by the Trustees on 6 March 2023.

G Gordon
Trustee

DocuSigned by:

9E13364D4B0F4C9...

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 JUNE 2022

	Notes	2022 £	£
Cash flows from operating activities			
Cash generated from/(absorbed by) operations	20		<u>873,396</u>
Investing activities			
Purchase of tangible fixed assets		(4,019)	
Purchase of investments		(1)	
Investment income received		<u>80</u>	
Net cash used in investing activities			<u>(3,940)</u>
Net cash used in financing activities			<u>-</u>
Net increase in cash and cash equivalents			<u>869,456</u>
Cash and cash equivalents at beginning of period			<u>-</u>
Cash and cash equivalents at end of period			<u><u>869,456</u></u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 JUNE 2022

1 Accounting policies

Charity information

Thrive at Five is a Charitable Incorporated Organisation incorporated in England and Wales. The registered office is 18 Buckingham Palace Road, London, SW1W 0QP. The charity was incorporated 5 July 2021 and commenced operations at that date, following a short period of incubation as a restricted fund of the Childhood Trust.

1.1 Reporting period

These financial statements are for the period from incorporation, 5 July 2021 to 30 June 2022 and thus there are no comparatives.

1.2 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Charities Act 2011, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The financial statements 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 the Statement of Recommended Practice for charities applying FRS 102 rather than the version of the Statement of Recommended Practice which is referred to in the Regulations but which has since been withdrawn.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.3 Going concern

At the time of approving the financial statements, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.4 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives. Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements

1.5 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2022

1 Accounting policies (Continued)

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met, and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.6 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure on charitable activities includes direct costs relating to the objectives of the charity as well as support costs in the form of administration expenses. Support costs include governance costs comprising expenditure involving the public accountability of the charity and its compliance with regulation and good practice. These costs include independent examination and legal fees and also those meeting its statutory obligations.

1.7 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Computers	25% straight line
-----------	-------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.8 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

1.9 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

FINANCIAL STATEMENTS (CONT)

FOR THE PERIOD ENDED 30 JUNE 2022

1 Accounting policies

(Continued)

1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are de-recognised when the charity’s contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee’s services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

FOR THE PERIOD ENDED 30 JUNE 2022

2 Critical accounting estimates and judgements

In the application of the charity’s accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
786,334	533,333	1,319,667

Grants receivable

4 Investments

Unrestricted funds 2022 £
80

Interest receivable

5 Other income

Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
35,438	46,121	81,559

Other income

Other income represents the balance of funds transferred over from The Childhood Trust by way of a transfer agreement.

FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2022

6 Raising funds

Unrestricted funds 2022 £

Fundraising and publicity

Fundraising database	7,280
Fundraising consultants	45,120

Fundraising and publicity	52,400
---------------------------	--------

52,400

7 Charitable activities

Charitable Expenditure 2022 £

Staff costs	174,711
Depreciation and impairment	405
Legal and professional	25,248
Staff recruitment	31,108
Staff training	1,447
Travel	7,555
Postage and stationery	62
General expenses	699
Computer costs	3,459
Insurance	1,204
Premises expenses	3,857
Bank charges	111
Programme activities	24,151
Consultancy	18,130
Discovery & Co-design	24,436
Share of governance costs (see note 8)	7,200

323,783

Analysis by fund

Unrestricted funds	153,804
Restricted funds	169,979

323,783

8 Support costs

Governance costs includes payments to the auditors of £7,200 for audit fees.

FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2022

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the period. Expenses totaling £749 were refunded to a Trustee in the period under review.

10 Employees

The average monthly number of employees during the period was:

	2022 Number
Administration	2
Employment costs	2022 £
Wages and salaries	148,826
Social security costs	9,958
Other pension and costs	5,551
	164,335

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number
£70,000 - £80,000	1

10 Tangible fixed assets

	Computers £
Cost	
Additions	4,019
At 30 June 2022	4,019
Depreciation and impairment	
Depreciation charged in the period	405
At 30 June 2022	405
Carrying amount	
At 30 June 2022	3,614

NOTES TO THE FINANCIAL
STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2022

12	Fixed asset investments	Unlisted investments £
	Cost or valuation	
	At 5 July 2021	-
	Additions	1
	At 30 June 2022	1
	Carrying amount	
	At 30 June 2022	1

The charity owns 100% of the issued share capital of Thrive at Five Trading Limited, a company registered in England & Wales. The subsidiary is dormant and is thus not consolidated into these financial statements.

13	Debtors	2022 £
	Amounts falling due within on year:	
	Trade debtors	200,000

14	Creditors	2022 £
	Amounts falling due within on year:	
	Other taxation and social security	11,521
	Trade creditors	7,812
	Other creditors	680
	Accruals and deferred income	27,935
		47,948

15	Retirement benefit schemes
	Defined contribution schemes
	The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.
	The charge to profit or loss in respect of defined contribution schemes was £5,551.

16	Restricted funds
	Restricted funds of £409,475 comprise of unspent funds to support the operations and activities of Thrive at Five in Abbey Hulton & Townsend and Bentilee & Ubberley, in Stoke-on-Trent.

STATEMENTS OF FINANCIAL
STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 30 JUNE 2022

17 Analysis of net assets between funds

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fund balances at 30 June 2022 are represented by:			
Tangible assets	3,614	-	3,614
Investments	1	-	1
Current assets/(liabilities)	612,033	409,475	1,021,508
	615,648	409,475	1,025,123

18 Comparative figures

There are no comparative figures as these are the first accounts of the charity.

19 Related party transactions

During the period, the Charity received a balance of funds totaling £80,560, by virtue of a transfer agreement, from The Childhood Trust, a charity in which Mr. G Gordon is a Trustee.

Donations of £333,333 were received from the Ethos Foundation, a charity related to Mr. G Gordon.

During the period, 3 Trustees were appointed with support from the global search consultants Saxton Bampfylde Ltd, who were paid £17,172 for their services. Saxton Bampfylde Ltd is a company for which Ms. Larissa Joy is a non-executive director.

Cash generated from operations	2022 £
Surplus for the period	1,025,123
Adjustments for:	
Investment income recognised in statement of financial activities	(80)
Depreciation and impairment of tangible fixed assets	405
Movements in working capital:	
(Increase) in debtors	(200,000)
Increase in creditors	47,948
Cash generated from/(absorbed by) operations	873,396

21 Analysis of changes in net funds/(debt)

The charity had no debt during the year.

thrive at five
18 Buckingham Palace Road
London SW1W 0QP

Charity registration number 1195059

www.thriveatfive.org.uk

