

Charity registration number 1195059

THRIVE AT FIVE
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2024

THRIVE AT FIVE

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	L Joy OBE G Gordon OBE M Davies Dr J Grenier CBE B Levinson OBE E Stanton L Holst (Resigned 30 November 2024) T Scott (Appointed 24 March 2025)
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	73 Cornhill London EC3V 3QQ
Legal advisors	Stone King LLP Boundary House 91 Charterhouse Street London EC1M 6HR

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THRIVE AT FIVE

CEO STATEMENT

FOR THE YEAR ENDED 30 JUNE 2024

We are delighted to share with you our annual report for the year ended 30 June 2024.

Thrive at Five's vision is a society where every child can thrive and achieve their potential.

Our mission is to help children develop strong foundations for life and learning, in and alongside communities where families face the most challenges.

There has never been a more important time to focus on improving early childhood outcomes, particularly in areas of high deprivation and disadvantage. More than one million of the four million plus children living in poverty in the UK are babies and children under the age of five, and poverty has risen faster in the last decade for children in these families than for those with older children. The pressure this is putting on families with young children is enormous, and when parents cannot access services and support, they find themselves isolated, alone, and less able to provide their children with the nurturing care and experiences they need to thrive.

Our place-based teams work in partnership with these communities – those experiencing the highest levels of disadvantage. We seek to act at the earliest stage possible to lay strong foundations and prevent problems arising later in life. To do this, we focus on specific outcomes which are critical to children's development. We are guided by the communities we work in; families, services, voluntary organisations and many others who play a supporting role. Our activities are guided by data and evidence of what works as we test, learn and refine our approach in different areas. The Thrive at Five Playbook captures our learnings of what works best, to enable us, over the coming years, to have the greatest impact in the areas that need it most.

There have been many highlights from the past year, but a few stand out. Working alongside our many partners, hundreds of parents and carers in Stoke-on-Trent who had nowhere to go with their babies and toddlers have been welcomed into play spaces in their communities, taking up opportunities to connect to each other as well as access services and professional support. Children who were the most behind with their speech and language in nurseries and reception classes have had support that was not available before, resulting in significant improvements in their skills and confidence. We are thrilled that this year's data shows that, in the schools we have been partnering with, the percentage of children achieving the expected level of development in communication and language has increased compared to the two previous years. This includes those whose development was of most cause for concern.

The progress we have made since the charity was established in the summer of 2021 has been recognised by the Local Authority in Stoke-on-Trent extending their original funding agreement with Thrive at Five for an additional 2 years. This demonstration of their support is particularly significant in a year when Local Authorities, including Stoke-on-Trent, have faced significant financial challenges, and the political uncertainty of a General Election.

"For a relatively small investment you get a massive bang for your buck. It's one of the best value investments that I've made in my time here in terms of the return that we gained, one of the best decisions I've made." Jon Rouse, City Director, Stoke-on-Trent City Council

This year have also expanded, launching our second programme in Redcar & Cleveland, giving us the opportunity to test and refine our learnings from Stoke-on-Trent. Our six-month, deep dive discovery gave us a rich understanding of the issues, needs, local assets and views of the local parents, carers and professionals. With this knowledge, we are working alongside our new partners to co-design the most impactful solutions for the community and create strong and trusted relationships that we know are vital to make a difference to children's futures.

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CEO STATEMENT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

As we move into our fourth year as a charity, ready for new partnerships in new places, we are proud of our growth and learning. We have produced our first impact report which is available on the Thrive at Five website [Our Impact 23-24 - Thrive At Five](#). Our progress reflects the joint efforts of so many local partners – families, local faith and community organisations, early years practitioners and health visitors, nurseries and schools. The impact we have seen is a testament to what is possible when communities work together in a more joined- up way and shows that it takes a village to raise a child. It is also thanks to all those who have supported this work, their generosity and shared vision. We are so grateful for them joining us on this journey, enabling our work in Stoke-on-Trent and Redcar and Cleveland, and paving the way for Thrive at Five to expand to more places in 2025.

With the Government having set out an ambitious target to ensure 75% of children are ready to learn by the age of five, there is much to be done. If we hope to achieve this, we must lean into and support the areas facing the most challenges. And our work is already showing that, by working closely with parents and strengthening the early years system, it is possible. And we aim to harness this – to use the learning and insight we are gathering to turn our placed-based model into one which can be scaled. This way we can support the many children across the country who need it most.

APPRECIATION AND THANKS

The journey to deliver long-term, sustainable impact is due to the generous support of our donors and collaboration with the many partners and other stakeholders that we work with

Donors

Auxilio Support Limited
Denise Coates Foundation
EPIC Housing
Ethos Foundation
KPMG Foundation
MariaMarina Foundation
Redcar & Cleveland Borough Council
Segelman Trust
Stoke-on-Trent City Council
The Dulverton Trust
The LEGO Group
The Police and Crime Commissioner for Cleveland
The Symondson Foundation
Woodsmith Foundation

Collaborators

All Saints Catholic Collegiate (St Maria Goretti Catholic Academy), Alpha Academies Trust (Eaton Park Academy and Maple Court Academy), Bentilee Nursery School, Breathe New Life Church, Cleveland Unit for the Reduction of Violence (CURV), Cultural Zebra Ltd, Epic Empowering People Inspiring Communities Ltd, ERS Research, Family Action - South Tees Perinatal Support Service, Family Focus (Trading name of Children and Families Staffordshire CIO), Little Explorers Day Nursery, Middlesbrough Voluntary Development Agency, Midlands Partnership University NHS Foundation Trust, North Staffordshire Combined Healthcare NHS Trust, Office of the Commissioner for Staffordshire (Police, Fire and Rescue, Crime), Orchard Community Trust (Abbey Hulton Primary School), OxEd & Assessment Ltd (OxEd), Public Health South Tees, Redcar and Cleveland Borough Council, Rosy Cheeks Nursery School, Societas Trust (Carmountside Primary Academy), St Bart's Multi-Academy Trust (Kingsland C.E. Academy), St John's Church, St Stephen's Church, Staffordshire and Stoke-on-Trent,

THRIVE AT FIVE

CEO STATEMENT (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

Integrated Care System, Staffordshire and Stoke-on-Trent Integrated Care Board, Stoke City Football Club, Stoke City Music Service, Stoke-on-Trent College, Stoke-on-Trent City Council, Stoke-on-Trent City Council - Public Health, The Breastfeeding Network, The Newman Catholic Collegiate (Our Lady & St Benedict Catholic Academy), Tiny Toez @ Treehouse Day Nursery, University of Staffordshire, VAST, Woodsmith Foundation, YMCA North Staffordshire

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Grant Gordon OBE
Co-Founder and Co- Chair

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Larissa Joy OBE
Co-Founder and Co-Chair

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Aida Cable
Chief Executive

Date: 4/14/2025

THRIVE AT FIVE

TRUSTEES REPORT

FOR THE YEAR ENDED 30 JUNE 2024

The Trustees present their annual report and financial statements for the year ended 30 June 2024.

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 works in places where babies and children are most at risk of not achieving their potential by the end of their first year at school, committing to multi-year support to deliver sustainable and long-term change. The families we support live in some of the most deprived parts of the UK. In the academic year 2023/24 only 51.5% of children eligible for Free School Meals in England reached a Good Level of Development by the end of their first year at school, compared to the 72% of children who reached this goal and were not eligible for Free School Meals

Thrive at Five's place-based teams work alongside communities:

- harnessing the power of parents and carers to provide support for their babies, children, and peers,
- providing capacity to enable effective collaboration between the public, private and voluntary sectors, and better support to families
- ensuring that local early year's systems, strategies, and workforce practice are strengthened by data, evidence, and science.

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 developing a national model around parent and community participation that is being tested, evaluated and refined in pathfinder areas to inform a national replicable framework.

We came into the financial year 2023/24 with the first projects in implementation in our first pathfinder area, Stoke-on-Trent, and in a state of readiness to expand the charity's horizons to a new place.

We have been working in Stoke-on-Trent since July 2021, focusing on communities in the electoral ward areas of Abbey Hulton and Bentilee, Ubberley and Townsend. This financial year we set out to:

- Develop and enhance the programme in Stoke-on-Trent, to improve and increase support there, for children's outcomes at home, in the community and in nurseries and schools.
- Launch a programme in Redcar & Cleveland to extend support to another 2500 children aged 5 and under.
- Use the new programme to start testing the replicability of our approach as captured in our "Playbook", created by a team from the Isos Partnership (Simon Day, Jodie Reed and Sam Baar).
- Strengthen the organisation through
 - recruitment of an external evaluator (a team, led by Jane Lewis, from the Centre for Evidence and Implementation),
 - scaled up operational capacity, including finance, operational processes and external communications,
 - continued growth of a pipeline of supporters.

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TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

Achievements and performance

1. Testing, Learning and Refining in Stoke-on-Trent

Our approach in Stoke-on-Trent is guided by a framework for workstreams that collectively deliver improved outcomes for children now and long into the future

A framework of workstreams to improve outcomes, to reach parents and to strengthen and improve the early years system

ENABLING WORKSTREAMS			DIRECT IMPACT WORKSTREAM
Community engagement			Supporting parent infant relationship
1 Communication	Strengthen practice		Quality parent baby toddler groups and Parent Champions
2 Events	Workforce upskilling	Strengthening the system	Ready Steady Stoke
3 Volunteers/training	Early years academy		Talking Time
4 Parents views and voices			PEEP Learning Together
			Nuffield Early Language

This year we have continued to focus with our partners on workstreams co-designed to improve early, language and communication (using the Nuffield Early Language Intervention in schools) and expanded the focus to younger children, in nurseries (using Talking Time). We have continued to support transitions into nursery and school (Ready Steady Stoke), and we have brought in a new strand of work to improve the Home Learning Environment (using PEEP Learning Together). We work alongside dedicated and passionate early years professionals who often do not have the time or capacity to respond to the levels of need of children in their communities.

Thrive at Five provides the additional capacity and access to expert advice that allows practitioners, from across the early years system, to think and innovate, adapting evidence-based programmes to suit a challenging local context. We provide resources to ensure programmes are well implemented and are more likely to deliver improved outcomes. We enable professionals to come together to collaborate and share learning and we work with managers and senior leaders to ensure that changes are made at a systems-level to secure long-term improvements.

This last year we have:

- Provided extra, affordable and sustainable capacity for delivery of the Nuffield Early Language Intervention by training volunteer students from the University of Staffordshire and by employing experienced support staff to oversee delivery of the intervention. There was sufficient capacity to ensure that all children in the reception year of school, who needed extra help with early, language and communication received support.

At the end of the academic year 2023/24, 70% of our schools saw more children on free school meals achieving the expected level of development in early language and communication than other, comparable schools in Stoke-on-Trent.

There was also a reduction in the number of children who were assessed with significant language delays from 39% at the beginning of the academic year to 19% at the end of the academic year.

THRIVE AT FIVE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

- Built communities of practice supported by national early years experts to strengthen the knowledge and skills of front-line practitioners in community groups, nurseries and schools. Through training a next generation of professional trainers and creating collaborative learning networks we seek to secure the possibility of long-term improvements in practice.

This year we provided extra training and professional support for 54 practitioners and volunteer students, who work with the 2500 under 5-year-olds in Abbey Hulton and Bentilee.

- Established systems to capture and share quality data so our partners (from front-line practitioners to system leaders) can monitor and track progress, and course correct along the way.

Parents and carers play a critical role in providing the solid foundations for life and learning through the bonds and interactive relationships they have with their babies and toddlers. When we started work in Stoke-on-Trent parents told us about their struggles living with poverty, the isolation they experienced and their feelings of anxiety and depression. They told us also about the judgement and the lack of information that were barriers to accessing help. Practitioners told us about the difficulties they were experiencing in engaging with the community.

We have continued in this past year to work alongside our communities to support their co-creation of many more parent, baby and toddler groups.

A five-fold increase in spaces and places for families to go – with capacity now for 200 attendees per week - means many more connections between parents and carers and opportunities for them to receive help from professionals and voluntary organisations.

We have also employed more local parents as “Parent Connectors” recognising their value in building bridges between parents who are struggling alone and their communities. Our Parent Connectors provide information and signpost to support and create human relationships that can make the difference between parents and carers finding the help they need or not.

The Centre for Evidence and Implementation’s first interim report of our external evaluators captures some of the positive impact of this work:

“I suffer with anxiety massively, so for me it can be really intimidating to go into a room full of mums, but here I don’t feel that and it’s really lovely here You can just talk to them [other parents], and if you say you’re struggling as well, no one looks at you like you’re a bad parent because you’re struggling.” Parent

“I didn’t know any of the other parents who were attending, and now we all stay in touch on Facebook, and we try and make time outside of [the group] to meet up with the children, go to soft play, or we’re trying at the minute to arrange just a mums’ night.” Parent

“They are then building their own social network, which is absolutely fantastic.... These friendship networks are really, really, building.” Practitioner

Extension of support from Stoke-on-Trent City Council

Recognizing Thrive at Five’s progress the Local Authority has this year extended its financial support for an additional 2 years. A good working relationship has been cemented by the secondment, one day a week, of Thrive at Five’s Partnership and Programme Lead to the Local Authority

2. Replicating in Redcar and Cleveland

Discovery, Local Authority support, and working with senior leaders

In September 2023 Redcar and Cleveland Council approved their support for Thrive at Five to establish a local programme focused initially on five of the most deprived electoral wards, (Grangetown, Southbank, Eston, Dormanstown and Kirkleatham). As in Stoke-on-Trent the Local Authority is co-funding our work, underscoring the power of a collective impact model backed by philanthropic and public sector funding.

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TRUSTEES REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

Replicating the approach in Redcar and Cleveland (and using tools from our Playbook), we spent 6 months on an intensive discovery exercise designed to develop an understanding of the needs and opportunities in the early years in our 5 communities. Working with the Director of Children's Services, the Director of Public Health and the Office of the Cleveland Police and Crime Commissioner, we established a joint working group to oversee and facilitate the discovery process and to introduce Thrive at Five's approach to a wider group of stakeholders from across the public, voluntary and private sector. As with Stoke-on-Trent this stage of our work is essential in building trust and provides the foundations for a collaborative working relationship, having carefully identified with our partners the gaps in support and the assets that can be built upon.

"The discovery phase that Thrive went through actually brought community into the programme and listened to the community in the co-construction of what services would be most impactful and beneficial to them It was a very strong piece of work that I think gave value." Systems Leader reporting to the Centre for Evidence and Implementation

Establishing the local team

The Partnership and Programme Lead for Redcar & Cleveland, Allan Brownrigg, took up post in February 2024 bringing a wealth of knowledge and experience.



Partnership and Programme Lead – Redcar & Cleveland

Allan Brownrigg has lived in North East for 3 decades and worked in Redcar & Cleveland for much of this time. He has worked in the NHS as the Chief of Allied Health professionals and before this was a consultant and associate director of psychological services, a university academic and a practitioner specialising in child, adolescent and family mental health and attachment. Allan is a registered social worker, an accredited psychotherapist and holds a masters degree in social innovation from Cambridge university. He has worked within prison and community settings, mental health teams, drug and alcohol rehabilitation, where work has focused on the needs of children and their families

Since coming into post Allan has established a local team of 9, replicating the team structure in Stoke-on-Trent:

- 4 Parent Connectors.
- Early Years Development Lead.
- Parent and Community Outreach Lead.
- Communications Co-Ordinator.
- Programme Support Manager.

With discovery completed Parent Connectors went out into the community forging early connections with parents, carers, Family Hubs and local voluntary organisations. The team is also underway with co-designing first workstreams to support early language and communication, the home learning environment, transitions into nurseries and schools and parent and infant relationships.

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

3. Strengthening the organisation

Coming into this year with the legacy of multi-year grants from our early supporters, we have been able to invest time in exploring and laying the groundwork for a pipeline of funding for the next 3-5 years. Continuing to secure this level of support is challenging in a competitive market, when philanthropic funding is responding to a high volume of unmet need exacerbated by the increased cost of living. Thrive at Five also seek co-funding from Local Authorities, some of which have been under considerable financial pressure themselves, connected often to the cost of social care. We have nonetheless, in this past year, secured a new contract with Redcar & Cleveland Borough Council, renewed funding not just from Stoke-on-Trent City Council, but also from one of our first, cornerstone funders and a 7-year grant from another, early backer.

The Charity's staff team has grown overall from 8 to 17 people. In addition to expanding the team in Stoke-on-Trent and recruiting the team in Redcar & Cleveland, Thrive at Five has built essential capacity within the central team, with a Finance Officer and a Director of Design and Planning. In the past year these new roles have allowed us to:

- Support the expansion of the Stoke-on-Trent programme, with a larger team and more workstreams.
- Secure a contract with Redcar & Cleveland Borough Council and begin work in the Northeast.
- Review and strengthen of our financial controls, policies and other operational processes.
- Focus on communications which are enabling us to reach more parents through our place-based programmes and to engage, nationally, with potential supporters, policy influencers and makers.
- Develop a robust parent outreach strategy and model or practice for parent connectors, including training and processes for safe working in the community.
- Onboard our external evaluators, the Centre for Evidence and Implementation and continue working with the Isos Partnership, on the creation of Thrive at Five's Playbook.
- Increase engagement with local and national government with a view to establishing new Thrive at Five programmes in the Northeast and Scotland.

Outlook – embedding Thrive at Five in Stoke-on-Trent, rolling out a programme in Redcar & Cleveland, and growth to two new places

Thrive at Five work in communities that have seen too many initiatives come and go with the consequences that trust with communities has been damaged, and investment has not resulted in long-term change. Thrive at Five set out to make a sustainable difference to children's outcomes in early childhood and we are delighted that our first partners share this vision and have extended their investment in Stoke-on-Trent. Over the coming year, we plan to develop on the existing programme in Abbey Hulton and Bentilee, to support outcomes all through from pregnancy to the end of reception year. We will start scoping ways to scale the programme to other parts of the city, and to embed it in the local early years system.

In Redcar & Cleveland we will shift our focus from co-design to implementation of initial workstreams, using the experience and learning from Stoke-on-Trent to guide the approach. The cycle of testing, learning and refining will support the development of our Playbook.

In addition, we will continue negotiations to finalise a contract with Middlesbrough Council, with a view to commencing discovery there towards the end of the next financial year and will recruit a Director for Scotland.

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

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Financial review

Income

Total grant income for the financial year ended 30 June 2024 was £1,743,117 (2023: £1,581,418), of which £535,484 was restricted to activities in our first pathfinder site, Stoke-on-Trent, £350,000 was restricted to activities in our second pathfinder site Redcar & Cleveland, with the balance of £857,633 being unrestricted income. Our grant income has been raised from a combination of major donors, trusts and foundations (including corporate foundations) and local authorities.

Our investments in interest bearing accounts yielded £33,994 during our financial year (2023: £11,616).

Expenditure

Total expenditure amounted to £1,338,514 (2023: £824,167) and is analysed below.

Staff and support costs:

Staff costs, including recruitment fees, amounted to £726,814 (2023: £479,013) which represents 54.3% of total expenditure. Recruiting and investing in the right staff is critical to the success of Thrive at Five, which builds capacity in communities, and enables collaboration across the public, private and voluntary sector. Our place-based teams are recruited locally and include staff with expertise in early childhood development, community engagement and communications. These local “backbone” teams are supported by a central team which supports the strategic development of our programmes to deliver sustainable change in early years outcomes and to inform the shaping of a model that can be rolled out nationally.

We continued our investment in paid parent champions, their costs are included in the staff and support costs above.

Fundraising Activities:

The cost of fundraising increased to £49,582 from £37,090 in 2023, reflecting additional investments in securing new donors and leveraging partnerships to support the planned growth of the charitable programmes.

Discovery & Co-design costs:

During the year we engaged Economic Research Services Ltd as community researchers to inform our understanding of parents and carers experience of the early years in our second pathfinder site of Redcar & Cleveland. The research cost £10,800 (2023: £12,300).

Programmatic Activities:

Our spending on programmatic activities is designed to ensure that we and our partners implement data and evidence informed workstreams to deliver improved early childhood outcomes, stronger early years practice and early years system as set out in the Charity’s Theory of Change. During the financial year we spent £126,719 on these activities compared with £87,327 in 2023. These funds were deployed as below:

- During our financial year, we invested in early language and communication development. Early language and communication skills are strongly linked to later academic success; we supported the introduction and implementation of Talking Time in school-based nurseries and in reception classes we continued our work to ensure all children in need can be supported by the Nuffield Early Language Intervention with our students from Staffordshire University and our peripatetic teachers employed by the Alpha Academy.
- We introduced the PEEP Learning Together programme. Research shows that positive parental involvement in supporting early childhood development at home has a stronger impact on children’s wellbeing and achievement than any other factor.

THRIVE AT FIVE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

- We continued to support the establishment of parent-baby-toddler groups in community settings to increase the availability of places for parents and carer to go to meet each other, in pram-pushing distance from home. Our work ensured that new groups are well equipped and run by professionals and voluntary and community organisations with suitable training. We continued to expand our communications channels with parents to share information about local resources available to them. Parental outreach is a vital component of early childhood support that benefits both children and families by supporting parents' wellbeing, improving access to resources, fostering whole community engagement in the early years, and empowering parents in their role.
- In partnership with the University of Staffordshire, we hosted interactive workshops for over a hundred early years practitioners, local authority and health staff and national experts in childhood development and neuroscience. Our work to support the careful implementation of evidence-based programmes and to improving practices and systems creates the conditions for long-term improvements in outcomes.

Evaluation costs:

We are committed to capturing learning and to monitoring and evaluation so we can constantly test, learn and refine and demonstrate the impact of our work. As such we continued to work with Isos Partnership on the development of the Thrive at Five Playbook and with our external evaluators, the Centre for Evaluation and Implementation. Our costs relating to evaluation amounted to £116,748 (2023: £14,086).

Unrestricted Reserves

As part of our effective financial management, we will hold unrestricted reserves that support the organisation's mission to deliver sustainable and long-term change in order that the charity will be able to continue its activities.

These reserves are required:

- to mitigate against risks around fundraising including;
 - the heightened risk of a challenging and competitive fundraising environment,
 - the time taken to convert prospects, through engagement and applications, to funders with final funding agreements,
 - the failure to convert our pipeline of prospects into funding arrangements,
 - the risk that current grants may not be renewed, or may not be paid in accordance with their terms,
 - the loss of committed funds from local authorities,
 - the withdrawal of a current grant agreement.
- to plan our expenditure, considering the Charity's commitment to remain in our current pathfinder sites for several (more than 5) years and considering the long-term nature of our evaluation agreements (4 or more years)
- to provide a level of working capital that protects the continuity of our work and mitigates against the impact of uneven cash flows;
- to plan for and commit resources to an expansion of our work into new pathfinder sites which we aim to roll out in accordance with the strategy of the charity;
- to provide a contingency against unforeseen circumstances.

The Board of Trustees will review the above criteria annually with reference to Thrive at Five's strategy and annual business plan and the level of reserves to meet these. Based on the evaluation of income and expenditure risks and working capital requirements, the trustees have agreed that reserves should be in the range of £1m to £1.75m. At 30 June 2024 unrestricted reserves amounted to £1.5m, which are within the reserves range.

The Trustees take a prudent approach regarding the investment of surplus funds. During the financial year, the trustees have considered the most appropriate policy for investing funds is within our savings bank account.

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Restricted Funds

The charity holds restricted funds as detailed in note 17. The balance at 30 June 2024 was £714,468 (30 June 2023: £659,999).

Risk management practices

In line with governance best practice, the Trustees are committed to maintaining a strong risk management framework that supports Thrive at Five to proactively manage risks.

Thrive at Five has a risk register which is reviewed annually by the members of the Finance and Risk and the Board of Trustees. The risk register is used as a tool throughout the year to manage operational and strategic delivery. Risks are scored according to the likelihood and impact of the risk occurring, with the management of each risk assigned to a senior member of staff. The changes to the risks are reviewed alongside the actions being taken to mitigate the risks.

The table below highlights the strategic risks that have been identified and explains how these risks are being mitigated withing the Charity.

Prioritising safeguarding children and vulnerable people	The Charity accords the highest priority to managing safeguarding risk and all staff undertake annual training for child protection as well as Prevent training to support people susceptible to radicalisation. The Charity has a comprehensive safeguarding policy, which is reviewed annually, and which is designed in conjunction with a safeguarding expert. Staff in contact with children must hold Level 2 safeguarding qualifications and are required to attend in-person paediatric first aid training. Our safeguarding leads are staff members (one national and one for each local programme) who are Level 3 qualified we have a Trustee with overall responsibility for safeguarding, and each of these individuals has professional experience in this critical area. We have designed a clear process for staff to follow should a safeguarding concern arise
Protecting personal data	The Charity has GDPR policies which are reviewed annually by the Finance and Risk committee and employees have training to ensure they understand the policies. The policy ensures that staff have access only to data required for the task in hand and where required sensitive documents are password protected. The Charity regularly reviews the personal data that is collected, used, processed and retained and has processes in place to ensure that personal data is appropriately protected across the organisation.
Ensuring adequacy of funds	The Charity is committed to our long-term objectives of delivering systemic improvement in the outcomes for children in the early years in our pathfinder sites. Each pathfinder is planned based on a seven-year investment horizon, with the exception of Stoke-on-Trent, our trailblazer site where we plan a ten-year investment. As such the ability to raise long-term multi-year funding arrangements to implement our vision is key to our success. The Charity's growth plans are contingent on securing pledged funds and we continually review our funding pipeline and weigh the likelihood of securing these in our Finance and Risk committee meetings. To mitigate the risk of our income we have grant agreements in place for all our key donors.
Gathering data to demonstrate impact	The Charity recognizes that the success of the Thrive at Five methodology is contingent upon the ability to demonstrate the impact we are having in the community. The Charity has partnered with the Centre for Evidence and Implementation (CEI) to evaluate our programmes. The management and roll-out of our programmes are carefully designed and we are collaborating with credible partners who use the best practice methodology. Local Early Years Foundation Stage Profile (EYFSP) data is gathered and analysed on an annual basis. Our internal learning and impact team conduct pilot-year evaluation of workstreams drawing on quantitative and qualitative data. In Stoke-on-Trent, our first pathfinder, we are working with the public health team to strengthen their data gathering and measurement system which will support Thrive at Five's evaluation to inform improvements in the local early years system.

THRIVE AT FIVE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Retaining key staff and succession planning

The organisation has developed succession plans for senior roles to include external and internal development of staff. We have ensured that all files are saved on a central cloud-based site, which is accessed by key personnel. We ensure that the senior leadership team meet regularly and have oversight across the whole organisation and all key developments.

Safeguarding staff

The Charity recognizes that it is important to ensure that our staff feel safe while working in the community. We have policies in place to ensure that our staff are not placed in difficult situations and that we have the necessary escalation measures in place.

New staff attend training courses designed to help keep them safe.

The Trustees are satisfied that the major risks identified have been reviewed and systems or procedures have been established to manage those risks. Trustees have reviewed the financial impact of the risks occurring and have used them to help inform the reserves required as above.

Structure, governance and management

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

The charity is governed under its Constitution adopted on incorporation.

Governance

The Trustees consider the Board of Trustees to be 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. Ms. L Holst's three-year term with the Charity was completed on the 30th of November 2024 and the Charity is now in the process of assessing the skills required to take the Charity into its next evolution. The Trustees meet formally four times a year under the joint chair of Grant Gordon OBE and Larissa Joy OBE. The Board of Trustees bring a wealth of experience and knowledge to enhance the Charity's governance and strategic planning.

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

L Joy OBE

G Gordon OBE

M Davies

L Holst (resigned 30th November 2024)

Dr J Grenier CBE

B Levinson OBE

E Stanton

T Scott (appointed 24 March 2025)

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 our 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 necessary appropriate training is provided both initially and on an ongoing basis.

Senior Management

The Trustees have delegated authority to the Chief Executive and the Senior Leadership Team for the day-to-day management of the Charity. The Leadership Team is led by the Chief Executive, Ms. Aida Cable, who has the delegated authority to deliver the strategy and business plans for the organisation, including income generation, and overseeing the work of pathfinder sites each with backbone teams.

THRIVE AT FIVE

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

Staff

At the end of June 2024, Thrive at Five had a staff contingent of seventeen employees, this is a significant increase compared to eight employees in June 2023. During the financial year, the national team has expanded to a contingent of eight, of which one employee was on maternity leave, eight staff were employed in Stoke-on-Trent and we had our first employee in Redcar & Cleveland: the programme lead. A consultant finance director and two fundraising consultants support the Charity.

Public Benefit Statement

The Trustees confirm that in their opinion, they have complied with their duty to have due regards 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.


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.

Disclosure of information to auditor

Each of the Trustees has confirmed that there is no information of which they are aware 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 Board of Trustees approved the Trustee's report.

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L Joy OBE
Trustee
4/14/2025
Date:

DocuSigned by:

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Grant Gordon

THRIVE AT FIVE

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 30 JUNE 2024

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 year.

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.

THRIVE AT FIVE

INDEPENDENT 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 year ended 30 June 2024 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 2024 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 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.
-

THRIVE AT FIVE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THRIVE AT FIVE

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 2024.

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.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

- 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 non-compliance 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.

Audit response to risks identified

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.

THRIVE AT FIVE

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE TRUSTEES OF THRIVE AT FIVE

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>. 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.

Rowan Lindsay (Senior Statutory Auditor)
for and on behalf of Gerald Edelman LLP

Chartered Accountants
Statutory Auditor

Signed by:

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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.

THRIVE AT FIVE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2024

		Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
	Notes						
<u>Income</u>							
Donations and legacies	3	857,633	885,484	1,743,117	884,575	696,843	1,581,418
Investments	4	33,994	-	33,994	11,616	-	11,616
Total income		891,627	885,484	1,777,111	896,191	696,843	1,593,034
<u>Expenditure on:</u>							
Raising funds	5	49,252	330	49,582	37,090	-	37,090
Charitable activities	6	458,247	830,685	1,288,932	340,758	446,319	787,077
Total expenditure		507,499	831,015	1,338,514	377,848	446,319	824,167
Net income for the year/ Net movement in funds		384,128	54,469	438,597	518,343	250,524	768,867
Fund balances at 1 July 2023		1,133,991	659,999	1,793,990	615,648	409,475	1,025,123
Fund balances at 30 June 2024		1,518,119	714,468	2,232,587	1,133,991	659,999	1,793,990

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

THRIVE AT FIVE

BALANCE SHEET

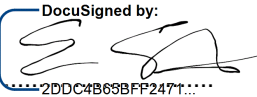
AS AT 30 JUNE 2024

	Notes	2024		2023	
		£	£	£	£
Fixed assets					
Tangible assets	12		11,090		3,919
Investments	13		1		1
			<u>11,091</u>		<u>3,920</u>
Current assets					
Debtors	14	271,229		200,000	
Cash at bank and in hand		<u>2,087,257</u>		<u>1,703,179</u>	
		2,358,486		1,903,179	
Creditors: amounts falling due within one year	15	<u>(136,990)</u>		<u>(113,109)</u>	
Net current assets			<u>2,221,496</u>		<u>1,790,070</u>
Total assets less current liabilities			<u><u>2,232,587</u></u>		<u><u>1,793,990</u></u>
The funds of the charity					
Restricted income funds	17		714,468		659,999
Unrestricted funds	18		<u>1,518,119</u>		<u>1,133,991</u>
			<u><u>2,232,587</u></u>		<u><u>1,793,990</u></u>

4/14/2025

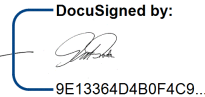
The financial statements were approved by the Trustees on

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Trustee

THRIVE AT FIVE

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Notes	2024 £	£	2023 £	£
Cash flows from operating activities					
Cash generated from operations	21		359,978		823,879
Investing activities					
Purchase of tangible fixed assets		(9,894)		(1,772)	
Investment income received		33,994		11,616	
Net cash generated from investing activities			24,100		9,844
Net cash used in financing activities			-		-
Net increase in cash and cash equivalents			384,078		833,723
Cash and cash equivalents at beginning of year			1,703,179		869,456
Cash and cash equivalents at end of year			2,087,257		1,703,179

THRIVE AT FIVE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

Charity information

Thrive at Five is a Charitable Incorporated Organisation incorporated in England and Wales. The registered office is 73 Cornhill, London, EC3V 3QQ.

1.1 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.

1.2 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.

1.3 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 or grantors 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.

1.4 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.

THRIVE AT FIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

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.

1.5 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.

1.6 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
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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.

1.7 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.

1.8 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).

1.9 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.

THRIVE AT FIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

1 Accounting policies

(Continued)

1.10 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 derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.11 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.

1.12 Retirement benefits

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

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged as an expense on a straight line basis over the term of the relevant lease.

THRIVE AT FIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

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	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024 £	2024 £	2024 £	2023 £	2023 £	2023 £
Grants receivable	857,633	885,484	1,743,117	884,575	696,843	1,581,418

As outlined by SORP FRS102, donated services are to be included in the accounts at the amount that the charity would have spent on similar services, should they not have been received as donations. Included in the above figures are in 2023 £35,742 of donated legal services from Allen & Overy.

4 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	33,994	11,616

5 Raising funds

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £
<u>Fundraising and publicity</u>				
Fundraising database	7,280	-	7,280	7,280
Fundraising consultants	37,769	-	37,769	29,810
Events and advertising	4,203	330	4,533	-
	49,252	330	49,582	37,090

THRIVE AT FIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

6 Charitable activities

	Charitable Expenditure 2024 £	Charitable Expenditure 2023 £
Staff costs	726,814	479,013
Depreciation and impairment	2,722	1,468
Legal and professional	40,589	63,828
Evaluation costs	116,748	14,086
Staff recruitment	27,932	828
Staff training	7,973	8,847
Travel	19,165	15,440
Postage and stationery	2,551	1,743
General expenses	9,798	6,101
IT costs	10,869	6,779
Communication costs	75,262	10,184
Insurance	1,872	1,514
Premises expenses	21,809	19,998
Bank charges	68	69
Event costs	-	1,478
Community champion stream (non-staff related)	-	10,205
Programmatic activities	126,719	87,327
Finance and admin consultancy	48,166	24,669
Discovery & Co-design	10,800	12,300
Grant funding of activities (Cost of living)	25,875	11,600
Share of governance costs (see note 7)	13,200	9,600
	<u>1,288,932</u>	<u>787,077</u>
Analysis by fund		
Unrestricted funds	458,247	340,758
Restricted funds	830,685	446,319
	<u>1,288,932</u>	<u>787,077</u>

Legal and professional include HR consultancy, data protection fees and fees for Xero the accounting platform. In 2023 it included pro-bono support.

7 Support costs

Governance costs includes payments to the auditors of £13,200 (2023: £9,600) for audit fees.

8 Net movement in funds

	2024 £	2023 £
The net movement in funds is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	<u>2,722</u>	<u>1,468</u>

THRIVE AT FIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

9 Trustees

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. Expenses totaling £423 (2023: £175) were refunded to a Trustee in the period under review.

10 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
National & Stoke team	13	7

Employment costs	2024 £	2023 £
Wages and salaries	619,645	362,834
Social security costs	64,720	37,778
Other pension costs	14,575	9,999
	698,940	410,611

Included within staff costs per the charitable activities note is secondment costs of £28,453 (2023: £68,103) and other ad hoc staff related costs.

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

	2024 Number	2023 Number
£60,000 - £70,000	1	1
£70,000 - £80,000	1	1
£80,000 - £90,000	-	1
£90,000 - £100,000	1	-

Remuneration of key management personnel

The remuneration of key management personnel was £385,771 (2023: £271,666).

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

THRIVE AT FIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 JUNE 2024

12 Tangible fixed assets

Computers
£

Cost	
At 1 July 2023	5,109
Additions	9,894
	<hr/>
At 30 June 2024	15,003
	<hr/>
Depreciation and impairment	
At 1 July 2023	1,190
Depreciation charged in the year	2,722
	<hr/>
At 30 June 2024	3,913
	<hr/>
Carrying amount	
At 30 June 2024	11,090
	<hr/> <hr/>
At 30 June 2023	3,919
	<hr/> <hr/>

THRIVE AT FIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

13 Fixed asset investments

	Unlisted investments £
Cost	
At 1 July 2023 & 30 June 2024	1
Carrying amount	
At 30 June 2024	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 not consolidated into these financial statements.

14 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Trade debtors	270,000	200,000
Other debtors	137	-
Prepayments and accrued income	1,092	-
	<u>271,229</u>	<u>200,000</u>

15 Creditors: amounts falling due within one year

	2024 £	2023 £
Other taxation and social security	21,384	12,365
Trade creditors	35,819	19,068
Other creditors	2,774	1,065
Accruals and deferred income	77,013	80,611
	<u>136,990</u>	<u>113,109</u>

16 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	<u>14,575</u>	<u>9,999</u>

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.

THRIVE AT FIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2024

17 Restricted funds

	Movement in funds			Movement in funds			
	Balance at 1 July 2022	Incoming resources	Resources expended	Balance at 1 July 2023	Incoming resources	Resources expended	Balance at 30 June 2024
	£	£	£	£	£	£	£
Stoke	409,475	584,343	(428,748)	565,070	535,484	(685,915)	414,639
Redcar & Cleveland	-	112,500	(17,571)	94,929	350,000	(145,100)	299,829
	<u>409,475</u>	<u>696,843</u>	<u>(446,319)</u>	<u>659,999</u>	<u>885,484</u>	<u>(831,015)</u>	<u>714,468</u>

Restricted funds of £714,468 (2023: £659,999) comprise of unspent funds to support the operations and activities of Thrive at Five in Abbey Hulton & Townsend and Bentilee & Ubberry, in Stoke-on-Trent to the value of £414,639 and £299,829 (2023: £565,070 and £94,929) of unspent funds to support operations in Redcar.

18 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used.

	At 1 July 2023	Incoming resources	Resources expended	Transfers	At 30 June 2024
	£	£	£	£	£
General funds	<u>1,133,991</u>	<u>891,627</u>	<u>(507,499)</u>	<u>-</u>	<u>1,518,119</u>
Previous year:	At 1 July 2022	Incoming resources	Resources expended	Transfers	At 30 June 2023
	£	£	£	£	£
General funds	<u>615,648</u>	<u>896,191</u>	<u>(377,848)</u>	<u>-</u>	<u>1,133,991</u>

THRIVE AT FIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

19 Analysis of net assets between funds

	Unrestricted funds	Material funds Heading #ac997	Restricted funds	Endowment funds	Total
	2024	2024	2024	2024	2024
	£	£	£	£	£
At 30 June 2024:					
Tangible assets	11,090	-	-	-	11,090
Investments	1	-	-	-	1
Current assets/(liabilities)	1,507,028	-	714,468	-	2,221,496
	<u>1,518,119</u>	<u>-</u>	<u>714,468</u>	<u>-</u>	<u>2,232,587</u>

	Unrestricted funds	Material funds Heading #ac997	Restricted funds	Endowment funds	Total
	2023	2023	2023	2023	2023
	£	£	£	£	£
At 30 June 2023:					
Tangible assets	3,919	-	-	-	3,919
Investments	1	-	-	-	1
Current assets/(liabilities)	1,130,071	-	659,999	-	1,790,070
	<u>1,133,991</u>	<u>-</u>	<u>659,999</u>	<u>-</u>	<u>1,793,990</u>

20 Related party transactions

During the previous 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 (2023: £333,333) were received from the Ethos Foundation, a charity related to Mr. G Gordon.

THRIVE AT FIVE

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2024

21	Cash generated from operations	2024 £	2023 £
	Surplus for the year	438,597	768,867
	Adjustments for:		
	Investment income recognised in statement of financial activities	(33,994)	(11,616)
	Depreciation and impairment of tangible fixed assets	2,722	1,468
	Movements in working capital:		
	(Increase) in debtors	(71,229)	-
	Increase in creditors	23,882	65,160
	Cash generated from operations	359,978	823,879
22	Analysis of changes in net funds		
	The charity had no material debt during the year.		