

Babyzone
Financial Statements
31 March 2025

BURGESS HODGSON AUDIT LIMITED

Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Babyzone
Financial Statements
Year ended 31 March 2025

	Page
Trustees' annual report	1
Independent auditor's report to the members	10
Statement of financial activities	14
Statement of financial position	15
Statement of cash flows	16
Notes to the financial statements	17

Babyzone
Trustees' Annual Report
Year ended 31 March 2025

The trustees present their report and the financial statements of the charity for the year ended 31 March 2025.

Reference and administrative details

Registered charity name Babyzone

Charity registration number 1198316

Principal office Scale Space
58 Wood Lane
London
W12 7RZ
United Kingdom

The trustees

C S Mindenhall
P Radcliffe
S Hesz
L Cary-Elwes
L Legassick
J Cushion

Auditor Burgess Hodgson Audit Limited
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

Babyzone

Trustees' Annual Report *(continued)*

Year ended 31 March 2025

The Trustees of the charity (registered number 1198316 on 22 March 2022) present their Trustees' Annual Report for the purposes of section 162 of the Charities Act 2011 together with the Financial Statements of the Charity for the period ending 31 March 2025.

Who we are

BABYZONE is a charity which provides essential support for disadvantaged families with children under six, offering developmental classes and resources to foster early childhood growth. Babyzone empowers parents and caregivers to overcome challenges associated with poverty, enhancing parenting skills and promoting better outcomes for their children.

Structure, governance and management

BABYZONE was registered as a Charity on 21 March 2022 (Charity registration number: 1198316).

Recruitment and appointment of trustees

The first trustees were the subscribers to the constitution as notified to the Charity Commission as the first trustees of the charity. A person appointed as a trustee thereupon becomes a member of the charity and a trustee who ceases to hold office for any reason thereupon ceases to be a member of the charity. Trustees have the power to appoint any person to be a trustee who is willing to act as such. New trustees will be recruited according to the needs of the charity and the suitability of possible candidates. A majority approval of existing trustees would lead to their appointment.

The constitution states that the number of members (trustees) shall have no maximum and shall not be less than three.

Full details of the rules are contained in the charity's constitution, dated on registration on 21 March 2022, which may be inspected at the charity's registered office.

Organisational Structure

BABYZONE is governed by its Trustee Board which is responsible for setting the strategic direction of the organisation and the policy of the Charity. The Trustees carry the ultimate responsibility for the conduct of BABYZONE and for ensuring that the Charity satisfies its legal and contractual obligations. Trustees meet approximately every three months. The Trustees delegate day-to-day management to Babyzone's senior management team.

Decisions are determined by a simple majority of votes. In the case of an equality of votes the Chair of the meeting has the casting vote.

Risk management

The Trustees have considered the major risks to which the Charity is exposed and have established suitable risk management and control procedures.

The main risks and controls are as follows:

Funding and financial sustainability

- Risk: The charity does not raise sufficient income to continue delivering its services to families beyond the 2025/26 financial year.
- Mitigation: The charity has two staff whose specific responsibilities include fundraising and has adopted a broad fundraising strategy across trusts and foundations, individual donors, and partnerships. Income pipelines are reviewed regularly by senior management and the Board, with scenario planning and cost controls used to manage financial risk.

Babyzone

Trustees' Annual Report *(continued)*

Year ended 31 March 2025

Safeguarding and child safety

- Risk: A failure in safeguarding, including the recruitment or retention of unsuitable individuals or the failure to respond appropriately to concerns, could result in harm to children or adults at risk, loss of trust from families and partners, and regulatory or reputational consequences for the charity.
- Mitigation: All employees, volunteers and trustees undergo appropriate pre-appointment checks, including Disclosure and Barring Service (DBS) checks. The charity has a designated Safeguarding Lead and trained Deputy Designated Safeguarding Leads at each hub, supported by up-to-date safeguarding and child protection policies and a critical incident policy.

Objectives and activities

Our Objectives:

The objects of the CIO are:

(1) TO ADVANCE THE EDUCATION OF, AND TO DEVELOP THE CAPACITY AND SKILLS OF, PARENTS AND CARERS OF CHILDREN, AND CHILDREN THEMSELVES AGED BETWEEN 0 TO 5 IN ENGLAND AND WALES USING A BARRIERLESS APPROACH (AS DEFINED BELOW) TO ALLOW ALL FAMILIES TO ACCESS A STRUCTURED OFFER THAT ENABLES THEM TO BETTER ENGAGE IN THEIR CHILDREN'S EARLIEST EDUCATION AND DEVELOPMENT; THE BENEFIT OF WHICH IS AN INCREASE IN THE NUMBER OF BABIES THAT WILL RECEIVE EARLY ENGAGEMENT FROM THEIR CARERS WHICH EVIDENCE TELLS US WILL LEAD TO INCREASED EMOTIONAL RESILIENCE, THE DEVELOPMENT OF VITAL SPEECH AND LANGUAGE SKILLS AND CONSEQUENTIAL REDUCTION IN THE ATTAINMENT GAP; AND

(2) TO PROMOTE SOCIAL INCLUSION AND EQUALITY AND DIVERSITY BY UTILISING A BARRIERLESS APPROACH (AS DEFINED BELOW) TO DELIVER OBJECT 3(1), WITH THE AIM OF (I) DEMONSTRATING THE VALUE OF THE BARRIERLESS APPROACH IN REACHING THE PREVIOUSLY UNSUPPORTED FAMILIES THAT WOULD BENEFIT FROM THE SERVICES THE MOST, (II) PUTTING ACCESSIBILITY AND THE NEEDS OF FAMILIES AT THE HEART OF THE PROVISION OF THE SERVICES AND (III) SHARING KNOWLEDGE WITH OTHER SOCIAL PROGRAMMES THAT FAIL TO REACH THE PEOPLE WHO NEED THEIR SERVICES ABOUT THE BENEFITS OF USING A BARRIERLESS APPROACH; THE BENEFIT OF WHICH IS (A) INCREASED ENGAGEMENT FROM THOSE PEOPLE THAT NEED THE SERVICES THE MOST, (B) LESS WASTE OF FUNDS AS THE PROGRAMMES WILL HAVE INCREASED PARTICIPATION AND (C) A MORE ENGAGED AND INCLUSIVE COMMUNITY. A 'BARRIERLESS APPROACH' MEANS REMOVING ALL THE BARRIERS THAT ARE LIKELY TO PREVENT PEOPLE FROM JOINING OR PARTICIPATING IN PROGRAMMES; INCLUDING, WITHOUT LIMITATION, HAVING NO (I) BOOKING SYSTEM, (II) SET TIMETABLES, (III) SIGN IN PROCESS, (IV) FEES AND (V) RULES WHICH COULD RESULT IN PEOPLE BEING TURNED AWAY. THE IDEA IS THAT THERE ARE NO BARRIERS AT ALL - THE DOORS ARE OPEN, YOU DON'T HAVE TO SIGN IN, SIMULTANEOUS CLASSES RUN ALL THE TIME BABYZONE IS OPEN, YOU CAN NEVER BE LATE, AND YOU CAN JOIN AND LEAVE THE CLASSES WHENEVER YOU NEED OR WANT TO.

Our Activities

We run free, high-quality Babyzone hubs in the heart of communities facing the greatest disadvantage. Each hub is a joyful, welcoming place where parents and children (0-5) can play, learn and connect, and where local health teams, councils and charities deliver support together under one roof. Our hubs operate as "community hubs": we use evidence and parent feedback to refine what we do and share what works across the network. This low-barrier design removes practical and social hurdles to engagement and makes early years help feel natural, welcoming and easy to access.

In every hub, families can drop into evidence-informed classes and experiences that strengthen early development and the parent-child relationship. Our own programmes: Babyzone Everyday Maths

Babyzone

Trustees' Annual Report *(continued)*

Year ended 31 March 2025

(embedding early numeracy in daily routines) and Babyzone NEST (Name, Empathise, Self-regulate, Team-up), sit alongside partner-led sessions spanning language, play, health and parenting. Sessions are hands-on, playful and practical so ideas transfer home; they're designed to be simple, low-cost and easy for parents to repeat with their children.

Babyzone hubs also act as a one-stop platform for joined-up support. Families can access co-located services in a safe, familiar setting, such as infant-feeding clinics, Early Help checks, Dad Matters groups, bereavement support and employment and benefits advice, and be signposted to wider help without the stigma or friction of navigating multiple agencies. Our partnership network has grown rapidly, embedding Babyzone as a trusted convenor for health, early learning and family support locally.

We extend help beyond the delivery day through digital engagement. The Baby Buddy app, now part of Babyzone, provides 24/7, evidence-based guidance with strong engagement and accessibility for lower-income and multilingual families. Our WhatsApp Communities give parents real-time tips, polls and peer support using low-data, low-barrier channels, so families feel connected between hub visits and can shape local offers (e.g., around child behaviour, school-readiness and parental mental health). We also share open content so practical ideas are always at families' fingertips.

Finally, we are building the Babyzone Academy to equip practitioners, inside and beyond Babyzone, with short, mobile-first courses drawn from our curricula and partner programmes. Its social "Buzz" features help effective practice spread quickly across settings, ensuring our hubs, programmes and digital support reinforce one another for the greatest impact.

Achievements and performance

This year, across our hubs we welcomed 27,106 family visits (up 29% year-on-year), with 61,737 total attendances by parents and children (+30%) and 3,105 first-time family visits (+25%). Fathers' and male carers' participation continued to climb to 2,371 visits (+22%), reflecting our visible, welcoming approach for dads. Importantly, around 70% of families we supported live in communities facing financial strain or everyday hardship, indicating that our offer is reaching those who stand to benefit most.

We launched two new Babyzones, one in Blackburn and one in Wigan, in spring 2025, extending access in the North West. Early traction has been strong: Blackburn recorded 766 family visits in its first 12 delivery days, quickly settling at 100+ families per week, while Wigan recorded 313 family visits in the opening phase alongside wide civic and partner backing. Grimsby is scheduled to open in the autumn, extending our reach to another area of significant need. These launches take us to eight active hubs during the period.

Quality and depth of engagement remained high. We delivered 4,416 evidence-informed classes (+42%), giving parents playful, practical ideas they can use at home. In our independent family survey, 84% of parents reported using ideas from Babyzone at home "a lot/very often" or "quite often"; 88% strongly agreed they had met other parents and learned useful tips; and 95% said their child's development benefitted, from social skills and communication to readiness for nursery and school. Parents consistently describe Babyzone as fun, friendly, educational and safe, a place where children thrive and adults feel relaxed and supported.

Partnership working multiplied outcomes. Over the year more than 260 organisations collaborated with us in-hub and around families' needs. Examples include the DWP supporting 62 families at Babyzone Croydon with backdated benefits and employment advice; Happy Baby Community reaching 281 mothers in Barnet; and new infant-feeding and Early Help clinics with NHS teams running in trusted community settings so concerns are spotted earlier and parents receive timely support. This joined-up model means a parent can attend a class and address health, welfare or learning needs in a single, stigma-free visit.

Our digital arm amplified reach and reinforced behaviour change between sessions. Families consumed 2.5 million pieces of content on Baby Buddy; WhatsApp Community interactions topped

Babyzone

Trustees' Annual Report *(continued)*

Year ended 31 March 2025

300,000, helping parents get real-time tips and peer support; and our Global Awareness Campaign generated 1.5 million impressions to spotlight the early years nationally. Early signs of integration are positive, with ~2,000 new Baby Buddy registrations in Babyzone localities during the period, and site-level WhatsApp polls shaping support (e.g., demand for school-readiness and child-behaviour content).

We continued to deliver strong value for money while widening impact. Our capital-light, partnership-powered model and gift-in-kind core support helped keep unit costs around £8 per person visit, £213 per family per year, and ~£130,000 per hub per annum, directing the majority of spend to direct support.

Babyzone reports its impact in line with the academic year. The performance of Babyzone is presented for the 24/25 academic year.

Related party transactions

Transactions with OnSide Youth Zones

Background:

Babyzone has entered into facilities rental arrangements with Future, WEST, Legacy, Warrington and Unitas Youth Zones, independent charities within the OnSide Youth Zone network. The Chair of Babyzone also serves as the Chair of OnSide Youth Zones. This disclosure outlines the arrangements, their basis and rationale.

Nature of transaction:

Babyzone rents facilities and associated services from the Youth Zones to deliver its charitable activities. Payments are charged on a per-session basis and cover relevant costs inherent to the offer (e.g. utilities, maintenance and venue services).

Rationale for transaction:

Fair value: Babyzone explored alternative venues locally to ensure value for money but did not identify options meeting the required standard at a comparable cost. The rates agreed with the Youth Zones are below the fair market value for equivalent facilities in the area.

Partnership: Through the connection to the OnSide network, Babyzone secures reliable, family-friendly venues embedded in their communities at a discounted rate.

Conclusion:

The arrangements with Future, WEST, Legacy, Warrington and Unitas Youth Zones were entered into in the best interests of the charity and on terms below fair market value. The relationship has been transparently disclosed and subject to independent scrutiny to confirm reasonableness.

Transactions with Blenheim Chalcot

Background:

Blenheim Chalcot provided extensive gift-in-kind support to Babyzone during the year ended 31 March 2025. Blenheim Chalcot is an entity with which Babyzone's Chair is connected. Babyzone's model explicitly leverages in-kind core services to keep costs focused on families.

Nature of transaction and period covered:

Blenheim Chalcot provided the following services throughout the financial year: Legal; Tax; Finance; Information Technology and Data Analysis; Managerial; Secretarial; Talent; Human Resources; Offices and facilities; Compliance; and Networks.

Recognition and valuation basis:

The fair-value of the gift-in-kind support recognised for the year is £350,000, valued with reference to Blenheim Chalcot's external rate card for comparable services.

Babyzone

Trustees' Annual Report *(continued)*

Year ended 31 March 2025

Conclusion:

The in-kind services materially strengthened governance and delivery capacity while allowing philanthropic funds to flow to frontline activity. The valuation methodology is consistent and supportable; the transaction was conducted transparently and on terms advantageous to the charity. (See also Impact Report discussion of capital-light model supported by BLENHEIM CHALCOT in-kind provision.)

Transaction with Corporate Donor

Background:

During the year, Babyzone received an unrestricted donation from a corporate donor. A director of this donor entity is also a Trustee of Babyzone.

During the year Babyzone also received a restricted donation from a corporate donor. An employee of this donor entity is also a Trustee of Babyzone.

Nature of transaction:

Both donations carried no conditions or preferences and was applied at the Trustees' discretion to Babyzone's charitable purposes.

Governance and conflicts:

The connected Trustees did not participate in any decisions relating to the approach to, acceptance of, or deployment of the donation and was recused from all relevant discussions and approvals, in accordance with Babyzone's conflicts of interest policy.

Conclusion:

The donations were accepted following due diligence and internal review, with appropriate conflict management to protect Babyzone's independence and integrity.

Other related parties

Beyond the Youth Zones, Blenheim Chalcot and the donor above, the Trustees are not aware of other related party transactions requiring disclosure for the year.

Public benefit

All the activities of Babyzone (as summarised above) are undertaken to further its charitable purposes for public benefit. The provision of a high-quality, barrierless early engagement service for children aged 0-5 and their parents and carers responds to a clear, ongoing demand from families for better support. Although providing a service to all families, Babyzone will focus on attendance and participation by families from disadvantaged backgrounds, measured as the bottom three deciles of the national indices of deprivation. This will lead to improved outcomes for children and their families, including:

- Increased emotional resilience
- Developed vital speech and language skills
- Reduced attainment gap
- Increased engagement from those families that need the services the most
- Less waste of funds as the programmes will have increased participation
- A more engaged and inclusive community

Babyzone's services are essential to the well-being of young children and their families in the local community. Our accessible approach ensures that everyone has access to its services, regardless of their circumstances.

The Trustees of BABYZONE believe they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission.

Volunteers' contribution

Babyzone

Trustees' Annual Report *(continued)*

Year ended 31 March 2025

Throughout the period all members of the Board of Trustees made invaluable voluntary contributions to the Charity's work in terms of governance, professional and business experience, financial planning, fundraising and leading initiatives across the charity. Such contributions were, on average, equivalent to five full days each calendar month.

Our volunteers and parent ambassadors contributed a full day per week to welcome families, support sessions and sustain the Babyzone atmosphere. (Per our accounting policy, no monetary value is recognised for general volunteers, but their contribution is fundamental to the outcomes reported above.)

Investment Activities

Under the constitution, the charity has the power to make any investment which the Trustees see fit. Investments are made where required to further the aims and objects of the Charity. Currently, the Charity does not currently hold any investments other than cash on deposit with CAF and Wise.

Financial review

A summary of the results for the year is shown below:

	£
Incoming resources	976,143
Outgoing resources	826,236
Net incoming resources	149,907

The charity continues to cultivate further donations from a variety of sources as outlined below.

Reserves Policy

The Board of Trustees of BABYZONE has established a reserves policy which appropriately reflects the risks to which the Charity is exposed. The reserves policy does not consider expenditure which is linked to restricted projects and therefore covered by restricted funds.

In reviewing the potential costs that could arise should a significant reduction in income be incurred, the Trustees have determined that unrestricted, 'free', reserves should be maintained at approximately 3 months running costs. The Trustees manage Babyzone's finances so that an adequate level of reserves can be maintained in compliance with the reserves policy. At 31 March 2025, the charity had total funds of £184,845, of which £65,000 is restricted and £119,875 unrestricted.

Principal Funding Sources

The Trustees wish to record their thanks to all those individuals and companies who have made donations or pledged their support to the work of the Charity; this includes: The AKO Foundation, The City Bridge Foundation, The Childhood Trust, The Health and Education Alliance, Purposeful Ventures plus other anonymous donors.

Future plans

In the year ahead we will deepen impact for families while expanding access in new places. We will open three new Babyzones - Grimsby, Swansea and Glasgow - applying our established launch playbook that has underpinned the early success of Blackburn and Wigan. This growth extends our partnership-powered, community-led model so that more families can access trusted, one-stop early-years support close to home.

To ensure quality grows with scale, we will launch the Babyzone Academy, a digital learning network to equip practitioners across Babyzone hubs and the wider sector with short, practical courses drawn from our own curricula and partners. Initial pathways will focus on Babyzone Everyday Maths and

Babyzone

Trustees' Annual Report *(continued)*

Year ended 31 March 2025

Babyzone NEST, turning proven hub practice into mobile-first modules, with social "Buzz" features that spread what works quickly between settings.

We will scale our evidence-informed programmes across the network. Everyday Maths (our 40-week pathway that embeds early numeracy in daily routines) will roll out more widely, while NEST will continue to strengthen children's emotional literacy and co-regulation. Programme development will be driven in community hubs and continuous feedback loops so learning travels from hub to home.

Our digital offer will keep extending support beyond the delivery day. Building on strong foundations - 2.5 million pieces of content consumed on Baby Buddy and ~300,000 WhatsApp interactions - we will keep integrating trusted content, polls and nudges into local communities so parents receive timely advice and peer support between visits.

Partnerships will continue to broaden and deepen. We will grow co-located health and family-support clinics in hubs and convene more local and national collaborators, building on the 260+ organisations who worked with us this year. Our capital-light approach - hosting in high-quality community venues - will remain central, keeping fixed costs low and directing resources to families as we scale.

Alongside delivery, we will strengthen evaluation and learning through the Babyzone Academy and our NPC-designed framework (Parent Confidence Index and hub-to-home measures), so we can evidence confident parenting, reduced isolation and improved early outcomes at greater scale.

Trustees' responsibilities statement

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 charity trustees to prepare financial statements for each 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 applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and 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 applicable Charities (Accounts and Reports) Regulations, 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.

Babyzone

Trustees' Annual Report *(continued)*

Year ended 31 March 2025

The trustees' annual report was approved on 26th January 2026..... and signed on behalf of the board of trustees by:



C S Mindenhall
Trustee

Babyzone

Independent Auditor's Report to the Members of Babyzone

Year ended 31 March 2025

Opinion

We have audited the financial statements of Babyzone (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, statement of financial position, statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the 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.

Babyzone

Independent Auditor's Report to the Members of Babyzone *(continued)*

Year ended 31 March 2025

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. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charity or to cease operations, or have no realistic alternative but to do so.

Babyzone

Independent Auditor's Report to the Members of Babyzone *(continued)*

Year ended 31 March 2025

Auditor's responsibilities for the audit of the financial statements

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

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

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we have considered; the nature of the industry, control environment.

We also consider the results of our enquiries of management, relating to their own identification and assessment of the risks of irregularities and possible related fraud. This includes reviewing available documentation on their policies and procedures and performing tests of controls to evidence their effectiveness.

Throughout the audit testing we are considering the incentives that may exist within the organisation for fraud. Key areas include timing of recognising income around the year end, posting of unusual journals. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We ensure we have an understanding of the relevant laws and regulations and remain alert to possible non-compliance throughout the audit.

Despite proper planning and audit work in accordance with auditing standards there are inherent limitations and unavoidable risk that we may not detect some irregularities and material misstatements in the financial statements. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

Babyzone

Independent Auditor's Report to the Members of Babyzone *(continued)*

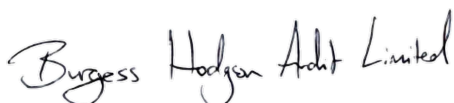
Year ended 31 March 2025

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Collyer (Senior Statutory Auditor)

For and on behalf of
Burgess Hodgson Audit Limited
Chartered accountants & statutory auditor
Camburgh House
27 New Dover Road
Canterbury
Kent
CT1 3DN

26/01/2025

Babyzone

Statement of Financial Activities

Year ended 31 March 2025

			2025		2024
	Note	Unrestricted funds £	Restricted funds £	Total funds £	Total funds £
Income and endowments					
Donations and legacies	4	909,093	67,050	976,143	508,621
Total income		<u>909,093</u>	<u>67,050</u>	<u>976,143</u>	<u>508,621</u>
Expenditure					
Expenditure on charitable activities	5,6	808,536	17,700	826,236	550,154
Total expenditure		<u>808,536</u>	<u>17,700</u>	<u>826,236</u>	<u>550,154</u>
Net income/(expenditure) and net movement in funds		<u>100,557</u>	<u>49,350</u>	<u>149,907</u>	<u>(41,533)</u>
Reconciliation of funds					
Total funds brought forward		19,318	15,650	34,968	76,501
Total funds carried forward		<u>119,875</u>	<u>65,000</u>	<u>184,875</u>	<u>34,968</u>

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

The notes on pages 17 to 23 form part of these financial statements.

Babyzone
Statement of Financial Position
31 March 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible fixed assets	12	27,466	18,759
Current assets			
Debtors	13	7,390	116,470
Cash at bank and in hand		206,100	43,738
		<u>213,490</u>	<u>160,208</u>
Creditors: amounts falling due within one year	14	56,081	143,999
Net current assets		<u>157,409</u>	<u>16,209</u>
Total assets less current liabilities		<u>184,875</u>	<u>34,968</u>
Net assets		<u>184,875</u>	<u>34,968</u>
Funds of the charity			
Restricted funds		65,000	15,650
Unrestricted funds		119,875	19,318
Total charity funds	16	<u>184,875</u>	<u>34,968</u>

These financial statements were approved by the board of trustees and authorised for issue on 26th January 2026 and are signed on behalf of the board by:



C S Mindenhall
Trustee

The notes on pages 17 to 23 form part of these financial statements.

Babyzone
Statement of Cash Flows
Year ended 31 March 2025

	2025	2024
	£	£
Cash flows from operating activities		
Net income/(expenditure)	149,907	(41,533)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	13,066	8,291
Accrued expenses	31,377	33,934
<i>Changes in:</i>		
Trade and other debtors	(2,920)	308
Trade and other creditors	(7,295)	31,130
Cash generated from operations	<u>184,135</u>	<u>32,130</u>
Net cash from operating activities	<u>184,135</u>	<u>32,130</u>
Cash flows from investing activities		
Purchase of tangible assets	(21,773)	(7,155)
Net cash used in investing activities	<u>(21,773)</u>	<u>(7,155)</u>
Net increase in cash and cash equivalents	162,362	24,975
Cash and cash equivalents at beginning of year	<u>43,738</u>	<u>18,763</u>
Cash and cash equivalents at end of year	<u>206,100</u>	<u>43,738</u>

The notes on pages 17 to 23 form part of these financial statements.

Babyzone

Notes to the Financial Statements

Year ended 31 March 2025

1. General information

The charity is a public benefit entity and a registered charity in England and Wales and is unincorporated. The address of the principal office is Scale Space, 58 Wood Lane, London, W12 7RZ, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Charities Act 2011.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Babyzone

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

3. Accounting policies *(continued)*

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Babyzone

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings	- 3 years straight line
Equipment	- 3 years straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into.

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other administrative expenses.

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment. If an arrangement constitutes a finance transaction it is measured at present value.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

4. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Donations			
Donations	909,093	67,050	976,143
	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Donations			
Donations	504,271	4,350	508,621

Babyzone

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

5. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Direct charitable activities	437,319	17,700	455,019
Support costs	371,217	–	371,217
	<u>808,536</u>	<u>17,700</u>	<u>826,236</u>
	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Direct charitable activities	359,121	700	359,821
Support costs	190,333	–	190,333
	<u>549,454</u>	<u>700</u>	<u>550,154</u>

6. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2025 £	Total fund 2024 £
Direct charitable activities	455,019	362,962	817,981	542,037
Governance costs	–	8,255	8,255	8,117
	<u>455,019</u>	<u>371,217</u>	<u>826,236</u>	<u>550,154</u>

7. Analysis of support costs

	Support costs £	Total 2025 £	Total 2024 £
Staff costs	264,878	264,878	158,378
Premises	56,320	56,320	777
Communications and IT	5,023	5,023	46
General office	35,195	35,195	22,935
Finance costs	1,496	1,496	45
Governance costs	8,305	8,305	8,152
	<u>371,217</u>	<u>371,217</u>	<u>190,333</u>

8. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2025 £	2024 £
Depreciation of tangible fixed assets	<u>13,066</u>	<u>8,291</u>

9. Auditors remuneration

	2025 £	2024 £
Fees payable for the audit of the financial statements	<u>5,350</u>	<u>4,280</u>

Babyzone

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

9. Auditors remuneration *(continued)*

During the year, the company's auditor changed from Burgess Hodgson LLP to Burgess Hodgson Audit Limited following a change in legal structure of the audit firm. The responsible individual remains the same.

10. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2025 £	2024 £
Wages and salaries	223,253	153,940
Social security costs	6,457	3,296
Employer contributions to pension plans	1,336	870
	<u>231,046</u>	<u>158,106</u>

The average head count of employees during the year was 17 (2024: 10).

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

11. Trustee remuneration and expenses

The Trustees and certain other senior employees who have authority and responsibility for planning, directing and controlling the activities of the charity, are considered to be key management personnel. No Trustees received remuneration during the period.

12. Tangible fixed assets

	Fixtures and fittings £	Equipment £	Total £
Cost			
At 1 April 2024	29,127	1,198	30,325
Additions	21,668	105	21,773
At 31 March 2025	<u>50,795</u>	<u>1,303</u>	<u>52,098</u>
Depreciation			
At 1 April 2024	10,944	622	11,566
Charge for the year	12,659	407	13,066
At 31 March 2025	<u>23,603</u>	<u>1,029</u>	<u>24,632</u>
Carrying amount			
At 31 March 2025	<u>27,192</u>	<u>274</u>	<u>27,466</u>
At 31 March 2024	<u>18,183</u>	<u>576</u>	<u>18,759</u>

Babyzone

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

13. Debtors

	2025	2024
	£	£
Trade debtors	60	1,200
Prepayments and accrued income	7,330	115,270
	<u>7,390</u>	<u>116,470</u>

14. Creditors: amounts falling due within one year

	2025	2024
	£	£
Trade creditors	38,629	46,025
Accruals and deferred income	17,161	97,784
Other creditors	291	190
	<u>56,081</u>	<u>143,999</u>

15. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £1,336 (2024: £870).

16. Analysis of charitable funds

Unrestricted funds

	At 1 April 2024 £	Income £	Expenditure £	At 31 March 2025 £
General funds	<u>19,318</u>	<u>909,093</u>	<u>(808,536)</u>	<u>119,875</u>

	At 1 April 2023 £	Income £	Expenditure £	At 31 March 2024 £
General funds	<u>64,501</u>	<u>504,271</u>	<u>(549,454)</u>	<u>19,318</u>

Babyzone

Notes to the Financial Statements *(continued)*

Year ended 31 March 2025

16. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 April 2024	Income	Expenditure	At 31 March 2025
	£	£	£	£
Restricted Funds	<u>15,650</u>	<u>67,050</u>	<u>(17,700)</u>	<u>65,000</u>

	At 1 April 2023	Income	Expenditure	At 31 March 2024
	£	£	£	£
Restricted Funds	<u>12,000</u>	<u>4,350</u>	<u>(700)</u>	<u>15,650</u>

17. Analysis of net assets between funds

	Unrestricted Funds £	Restricted Funds £	Total Funds 2025 £
Tangible fixed assets	27,466	–	27,466
Current assets	148,490	65,000	213,490
Creditors less than 1 year	<u>(56,081)</u>	<u>–</u>	<u>(56,081)</u>
Net assets	<u>119,875</u>	<u>65,000</u>	<u>184,875</u>

	Unrestricted Funds £	Restricted Funds £	Total Funds 2024 £
Tangible fixed assets	18,759	–	18,759
Current assets	144,558	15,650	160,208
Creditors less than 1 year	<u>(143,999)</u>	<u>–</u>	<u>(143,999)</u>
Net assets	<u>19,318</u>	<u>15,650</u>	<u>34,968</u>

18. Analysis of changes in net debt

	At 1 Apr 2024	Cash flows	At 31 Mar 2025
	£	£	£
Cash at bank and in hand	<u>43,738</u>	<u>162,362</u>	<u>206,100</u>

19. Related parties

Pages 5 and 6 of the trustees report discloses the entities and the nature of transactions with related entities. The total amount paid to the related parties is £191,870.