

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

		Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
	Notes						
Income from:							
Donations and legacies	3	-	168,523	168,523	-	201,436	201,436
Charitable activities	4	2,074,945	9,349,019	11,423,964	1,001,024	9,218,428	10,219,452
Other trading activities	5	1,140,667	-	1,140,667	1,132,706	-	1,132,706
Investments	6	1,276	-	1,276	685	-	685
Total income		3,216,888	9,517,542	12,734,430	2,134,415	9,419,864	11,554,279
Expenditure on:							
Raising funds	7	314	411	725	2,490	4,992	7,482
Charitable activities	8	2,998,370	9,505,249	12,503,619	2,104,898	8,861,627	10,966,525
Other expenditure	13	708	-	708	-	-	-
Total expenditure		2,999,392	9,505,660	12,505,052	2,107,388	8,866,619	10,974,007
Net income		217,496	11,882	229,378	27,027	553,245	580,272
Transfers between funds		-	-	-	302,242	(302,242)	-
Net movement in funds	10	217,496	11,882	229,378	329,269	251,003	580,272
Reconciliation of funds:							
Fund balances at 1 April 2024		979,342	290,406	1,269,748	650,073	39,403	689,476
Fund balances at 31 March 2025		1,196,838	302,288	1,499,126	979,342	290,406	1,269,748

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

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

BALANCE SHEET


AS AT 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Fixed assets					
Tangible assets	15		822,371		750,027
Current assets					
Stocks	16	13,965		23,583	
Debtors	17	415,355		676,382	
Cash at bank and in hand		3,421,716		1,706,129	
		3,851,036		2,406,094	
Creditors: amounts falling due within one year	18	(3,139,534)		(1,766,896)	
Net current assets			711,502		639,198
Total assets less current liabilities			1,533,873		1,389,225
Creditors: amounts falling due after more than one year	19		(34,747)		(119,477)
Net assets			1,499,126		1,269,748
The funds of the charity					
Restricted income funds	24	302,288		290,406	
Unrestricted funds	23	1,196,838		979,342	
			1,499,126		1,269,748

The financial statements were approved by the Trustees on 16 September 2025



MT McDonagh, Chair
Director



R Park, Treasurer
Director

Company registration number NI023257 (Northern Ireland)

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	£	2024 £	£
Cash flows from operating activities					
Cash generated from operations	32		2,128,891		429,192
Investing activities					
Purchase of tangible fixed assets		(64,875)		-	
Investment income received		1,276		685	
Net cash (used in)/generated from investing activities			(63,599)		685
Financing activities					
Repayment of bank loans		(101,768)		(76,453)	
Payment of finance leases obligations		(6,025)		-	
Net cash used in financing activities			(107,793)		(76,453)
Net increase in cash and cash equivalents			1,957,499		353,424
Cash and cash equivalents at beginning of year			529,292		175,868
Cash and cash equivalents at end of year			2,486,791		529,292
Relating to:					
Cash at bank and in hand			3,421,716		1,706,129
Bank overdrafts included in creditors payable within one year			(934,925)		(1,176,837)

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies

Charity information

Early Years - the organisation for young children is a private company limited by guarantee incorporated in Northern Ireland. The registered office is 6c Wildflower Way, Apollo Road, Belfast, BT12 6TA.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's Memorandum and Articles of Association, the Companies Act 2006 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)" (as amended for accounting periods commencing from 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The charitable company had free reserves of £464,214 at 31 March 2025. This equates to approximately 8 weeks of unrestricted expenditure and is in line with the target set by the board at the most recent review of the reserves policy.

Following the year end, management accounts indicate that the charitable company has generated a further surplus in the period since 31 March 2025. In addition, detailed projections and cash flow forecasts have been prepared for the period to 31 December 2026. The projections prepared to 31 December 2026 indicate that there are adequate resources to enable the charitable company to continue to meet its financial obligations as they fall due for at least the next twelve months after the date of signing these financial statements.

Taking all factors into consideration, the directors are of the opinion that it is appropriate that the financial statements are prepared on a going concern basis.

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.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (Continued)

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 is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity. Governance costs are those incurred in connection with administration of the charity and compliance with constitutional and statutory requirements.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

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:

Land and buildings	2% per annum straight line
Leasehold improvements	4% per annum straight line
Fixtures and fittings	15% per annum straight line
Computers	33% per annum straight line
Motor vehicles	25% per annum straight line

Freehold land and assets in the course of construction are not depreciated.

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 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).

1.8 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. Items held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (Continued)

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

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.

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.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

1 Accounting policies (Continued)

1.13 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to net income/(expenditure) for the year so as to produce a constant periodic rate of interest on the remaining balance of the liability.

1.14 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities incorporating Income and Expenditure Account on a straight line basis over the lease term.

1.15 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

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.

Key sources of estimation uncertainty

Fixed assets

The annual depreciation charge on fixed assets depends primarily on the estimated lives of each type of asset and estimates of residual values. The directors regularly review these asset lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful lives is included in the accounting policies.

Debtors

Short term debtors are measured at transaction price, less any impairment. Impairment of such debtors involves some estimation uncertainty.

Restricted and unrestricted funds

Judgements are made in relation to allocation of income and expenditure to restricted and unrestricted funds. The directors consider it appropriate to allocate these funds based on interpretation of donations received.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

3 Income from donations and legacies

	Restricted funds 2025 £	Restricted funds 2024 £
Donations and gifts	55,000	-
Grants	113,523	201,436
	<u>168,523</u>	<u>201,436</u>

4 Income from charitable activities

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Charitable income						
SureStarts and support to the sector	2,074,945	10,880,082	12,955,027	1,001,024	9,218,428	10,219,452
Charitable income						
Less: deferred income	-	(1,531,063)	(1,531,063)	-	-	-
	<u>2,074,945</u>	<u>9,349,019</u>	<u>11,423,964</u>	<u>1,001,024</u>	<u>9,218,428</u>	<u>10,219,452</u>

Performance related grants analysis

	Charitable income 2025 £	Charitable income 2024 £
Training	325,479	280,963
Management recharges	419,084	361,722
Atlantic Philanthropies	-	600,000
Northern, Western & Southern Health & Social Care Trust	110,056	87,062
Health & Social Care Trusts - Other, including SureStart	4,333,639	4,196,606
DE Pathways Fund	3,938,026	3,414,660
Management Fees	1,330,381	358,340
Project grants	792,896	577,738
Peace IV and Aspire	174,403	342,361
	<u>11,423,964</u>	<u>10,219,452</u>

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

5 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Insurance and members' insurance	7,500	15,820
Day care fees	977,227	917,116
Sale of publications	7,504	9,289
Subscriptions	35,576	39,245
Trading activity income: other	112,860	151,236
	<u>1,140,667</u>	<u>1,132,706</u>
Other trading activities	<u>1,140,667</u>	<u>1,132,706</u>

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	1,276	685
	<u>1,276</u>	<u>685</u>

7 Expenditure on raising funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Trading costs						
Other trading activities	314	411	725	2,490	4,992	7,482
	<u>314</u>	<u>411</u>	<u>725</u>	<u>2,490</u>	<u>4,992</u>	<u>7,482</u>

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

8 Expenditure on charitable activities

	Charitable expenditure 2025 £	Charitable expenditure 2024 £
Direct costs		
Staff costs	6,089,818	5,469,165
DE Pathway grants paid	3,938,030	3,414,659
Accountancy fees	4,000	4,480
Programme costs	993,704	807,536
Recruitment expenses	61,917	10,972
Training course costs	7,977	3,472
Travel and subsistence	3,462	31
Travel - direct costs	82,981	89,804
Redundancy costs	7,433	57,537
Peace IV grants paid	48,754	151,721
Unrecoverable VAT	40,813	27,961
Bad debt write off	-	1,409
	<u>11,278,889</u>	<u>10,038,747</u>
Share of support and governance costs (see note 9)		
Support	1,210,980	916,343
Governance	13,750	11,435
	<u>12,503,619</u>	<u>10,966,525</u>
Analysis by fund		
Unrestricted funds	2,998,370	2,104,898
Restricted funds	9,505,249	8,861,627
	<u>12,503,619</u>	<u>10,966,525</u>

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

9 Support costs allocated to activities

	2025 £	2024 £
Depreciation	31,824	32,126
Computer expenses	215,269	113,741
Light, heat and power	61,702	72,709
Training (Incl. SureStarts)	63,800	43,730
Subscriptions and support services	24,406	25,705
Sundries	226,794	138,918
Telephone	52,420	48,290
Professional fees	199,817	112,122
Cleaning	43,473	39,757
Insurance	78,436	72,705
Rent	215,039	216,540
Governance costs	11,750	11,435
	<u>1,224,730</u>	<u>927,778</u>
Analysed between:		
Charitable expenditure	<u>1,224,730</u>	<u>927,778</u>

10 Net movement in funds

	2025 £	2024 £
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	11,750	11,435
Depreciation of owned tangible fixed assets	19,730	32,126
Depreciation of tangible fixed assets held under finance leases	12,094	-
Loss on disposal of tangible fixed assets	708	-
	<u> </u>	<u> </u>

11 Trustees

None of the Trustees (or any persons connected with them) received any remuneration during the current or prior year. However, one Trustee was reimbursed a total of £396 (2024 - £nil) for travelling expenses.

12 Employees

The average monthly number of employees during the year was:

	2025 Number	2024 Number
Management and administration	38	36
Charity services	191	186
	<u> </u>	<u> </u>
Total	<u>229</u>	<u>222</u>

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

12 Employees (Continued)

Employment costs	2025 £	2024 £
Wages and salaries	5,202,415	4,709,217
Social security costs	444,581	376,503
Other pension costs	442,822	383,445
	<u>6,089,818</u>	<u>5,469,165</u>

Redundancy and termination payments

During the year redundancy payments of £7,433 (2024 - £57,537) were made to 3 (2024 - 6) employees.

Directors and key management personnel remuneration and expenses

The total amount of employee benefits received by key management personnel is £334,166 (2024 - £308,608)
The charity considers its key management personnel to comprise of the senior management team.

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

	2025 Number	2024 Number
In the band £60,001 - £70,000	3	2
In the band £70,001 - £80,000	-	1
	<u>3</u>	<u>3</u>

13 Other expenditure

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net loss on disposal of tangible fixed assets	708	-
	<u>708</u>	<u>-</u>

14 Taxation

The charity is exempt from income tax and capital gains tax to the extent that its income and gains are applied for charitable purposes. No tax charge has arisen in the year.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

15 Tangible fixed assets

	Land and buildings £	Leasehold improvements £	Assets under construction £	Fixtures and fittings £	Computers £	Motor vehicles £	Total £
Cost							
At 1 April 2024	736,199	92,600	326,006	69,587	60,497	-	1,284,889
Additions	55,000	-	-	-	1,500	48,375	104,875
Disposals	-	-	-	(2,829)	(33,815)	-	(36,644)
At 31 March 2025	791,199	92,600	326,006	66,758	28,182	48,375	1,353,120
Depreciation and impairment							
At 1 April 2024	350,585	56,899	-	66,881	60,497	-	534,862
Depreciation charged in the year	14,724	3,704	-	1,260	42	12,094	31,824
Eliminated in respect of disposals	-	-	-	(2,122)	(33,815)	-	(35,937)
At 31 March 2025	365,309	60,603	-	66,019	26,724	12,094	530,749
Carrying amount							
At 31 March 2025	425,890	31,997	326,006	739	1,458	36,281	822,371
At 31 March 2024	385,614	35,701	326,006	2,706	-	-	750,027

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

15 Tangible fixed assets (Continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts. The depreciation charge in respect of such assets amounted to £12,094 (2024 - £-) for the year.

	2025 £	2024 £
Motor vehicles	36,281	-

Included in land and buildings is freehold land acquired during the year at a cost of £55,000. In accordance with the charity's accounting policy, freehold land is not depreciated.

16 Stocks

	2025 £	2024 £
Finished goods and goods for resale	13,965	23,583

17 Debtors

	2025 £	2024 £
Amounts falling due within one year:		
Trade debtors	263,418	265,961
Other debtors	17,647	1,057
Prepayments and accrued income	134,290	409,364
	415,355	676,382

18 Creditors: amounts falling due within one year

	Notes	2025 £	2024 £
Bank loans and overdrafts	20	1,035,881	1,268,856
Obligations under finance leases	21	8,000	-
Other taxation and social security		106,576	171,823
Deferred income	22	1,531,063	-
Trade creditors		145,998	51,445
Other creditors		12,702	20,271
Accruals		299,314	254,501
		3,139,534	1,766,896

Security is as disclosed in notes 20 and 21.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

19 Creditors: amounts falling due after more than one year

	Notes	2025 £	2024 £
Bank loans	20	8,772	119,477
Obligations under finance leases	21	25,975	-
		<u>34,747</u>	<u>119,477</u>

Security is as disclosed in notes 20 and 21.

20 Loans and overdrafts

	2025 £	2024 £
Bank overdrafts	934,925	1,176,837
Bank loans	109,728	211,496
	<u>1,044,653</u>	<u>1,388,333</u>
Payable within one year	1,035,881	1,268,856
Payable after one year	<u>8,772</u>	<u>119,477</u>

The bank overdrafts are secured on the building and a floating charge over the assets of the charitable company.

A guarantee has been pledged by the Department for Business Energy and Industrial Strategy in respect of the bank loan.

Bank loans are being repaid by way of monthly instalments until April 2026 with an interest rate of Danske Bank Base Rate plus 4%.

21 Finance lease obligations

Future minimum lease payments due under finance leases:

	2025 £	2024 £
Within one year	8,000	-
Within two and five years	25,975	-
	<u>33,975</u>	<u>-</u>

The charity's obligations under finance leases are secured on the related assets.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

22 Deferred income

	2025 £	2024 £
Other deferred income	1,531,063	-

Deferred income is included in the financial statements as follows:

	2025 £	2024 £
Deferred income is included within:		
Current liabilities	1,531,063	-
Movements in the year:		
Deferred income at 1 April 2024	-	4,329
Released from previous periods	-	(4,329)
Resources deferred in the year	1,531,063	-
Deferred income at 31 March 2025	1,531,063	-

The deferred income arises in respect of income being received in the year which relates to a future accounting period and in respect of income received in the year where conditions for recognition have not been satisfied. The income will be released to the Statement of Financial Activities in the period to which it relates.

23 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. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2025 £
General funds	979,342	3,216,888	(2,999,392)	-	1,196,838
Previous year:	At 1 April 2023 £	Incoming resources £	Resources expended £	Transfers £	At 31 March 2024 £
General funds	650,073	2,134,415	(2,107,388)	302,242	979,342

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

24 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
Aspire	-	125,649	(125,649)	-	-
SureStarts	-	4,333,638	(4,333,673)	-	(35)
HSCT	-	110,056	(110,056)	-	-
DE Pathways	-	3,938,026	(3,938,026)	-	-
Projects	(378)	176,173	(173,527)	-	2,268
Toybox	-	465,246	(465,246)	-	-
Peace IV	-	48,754	(48,754)	-	-
DE Core Grant	-	265,000	(265,000)	-	-
Atlantic Philanthropies	290,784	55,000	(45,729)	-	300,055
	<u>290,406</u>	<u>9,517,542</u>	<u>(9,505,660)</u>	<u>-</u>	<u>302,288</u>

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
SureStarts	-	4,033,066	(4,033,066)	-	-
HSCT	-	147,062	(147,062)	-	-
DE Pathways	-	3,414,660	(3,414,660)	-	-
Projects	13,073	314,080	(328,925)	1,395	(377)
Toybox	2,517	349,703	(347,015)	(5,205)	-
Peace IV	23,813	342,361	(366,174)	-	-
DE Core Grant	-	218,932	(218,932)	-	-
Atlantic Philanthropies	-	600,000	(10,785)	(298,432)	290,783
	<u>39,403</u>	<u>9,419,864</u>	<u>(8,866,619)</u>	<u>(302,242)</u>	<u>290,406</u>

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

25 Explanatory notes to the funds

UNRESTRICTED FUNDS

General Funds

This reflects the short-term tactical reserves required by the Organisation and represents approximately 7 weeks' worth of unrestricted expenditure to cover short-term setbacks or cash flow difficulties.

RESTRICTED FUNDS

Atlantic Philanthropies (AP) and Associated Funds

Over a number of years the charity received funding from Atlantic Philanthropies to support a long-term research, practice and policy development programme focused on outcomes for young children. This project has concluded.

Atlantic Philanthropies has supported Early Years in the design and development of plans for the construction of an Early Years Centre of Excellence in Clogher Valley.

SureStarts

Funding from various Trusts and Childcare Partnerships for a number of SureStart projects.

Health and Social Care Trusts

Funding for an advisory service providing support, training and quality assistance for early years groups within each Trust area, as follows:

- Northern Health and Social Care Trust
- Southern Health and Social Care Trust
- Western Health and Social Care Trust

DE Pathway

A fund managed by Early Years for the Department of Education to improve the development of children who are at risk of not reaching their full potential within the school system and develop an enhanced, more sustainable Early Years sector.

Projects

Funding for a range of projects delivered by the charity.

Toybox Project

Funds for an outreach play development project for Traveller Children.

Peace IV

This is funding received from SEUPB. This project aims to bring about a positive attitude and behavioural change among children, parents, teachers and the wider community. The project uses an evidence based approach to purposeful, direct and sustained curriculum-based contact between children of different religious backgrounds.

DE Core Funding

Funding from the Department of Education to support core costs of Early Years.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

26 Explanatory notes to the funds (continued)

ASPIRE

The ASPIRE (Advancing Shared Partnerships through Inclusive Relationships in Education) is a multi-agency project, with the Education Authority as Lead Partner. The project is funded by PEACEPLUS. The project provides direct and regular sustained contact between children and young people from different cultural, religious and socio-economic backgrounds across settings and schools within Northern Ireland and the border counties, with a focus on peace building, reconciliation and inclusion to improve educational outcomes. Early Years is responsible for the operational oversight, project development and project delivery to Early Years settings, with other partners responsible for older age groups.

Transfers

During the prior year the charity made transfers from restricted to unrestricted funds totalling £302,242. For transfers of £3,810 the balance arose due to the fact that overhead costs were not fully allocated to certain funds in prior years. For the transfer of £298,432 from Atlantic Philanthropies, this was a reimbursement of unrestricted funds that Early years had spent on the Clogher project in prior years.

27 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	442,822	383,445

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.

28 Analysis of net assets between funds

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £
At 31 March 2025:			
Tangible assets	767,371	55,000	822,371
Current assets/(liabilities)	464,214	247,288	711,502
Long term liabilities	(34,747)	-	(34,747)
	<u>1,196,838</u>	<u>302,288</u>	<u>1,499,126</u>
	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
At 31 March 2024:			
Tangible assets	750,027	-	750,027
Current assets/(liabilities)	348,792	290,406	639,198
Long term liabilities	(119,477)	-	(119,477)
	<u>979,342</u>	<u>290,406</u>	<u>1,269,748</u>

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

29 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025 £	2024 £
Within one year	105,891	107,920
Between two and five years	174,306	109,500
In over five years	15,000	-
	<u>295,197</u>	<u>217,420</u>

30 Related party transactions

Transactions with related parties

During the year the charity entered into the following transactions with related parties:

	Grants paid 2025 £	2024 £
Giggles Early Years	98,515	30,000
Adventures Day Nursery	22,009	-
	<u>120,524</u>	<u>30,000</u>

The above Trustee owned nursery and playgroups received grants from the Pathway and Northern Ireland Childcare Subsidy funds. These groups applied for grants and were assessed against the same criteria and on the same basis as other applicants.

During the year the charity provided management and administrative support to Early Years ROI for no charge. In addition, the charity paid expenses on behalf of Early Years ROI. At the balance sheet date, an amount of £13,608 remained due from Early Years ROI (2024: £5,131 due to Early Years ROI).

31 Conduit funding

The charity acts as an agent on behalf of the Department for Education in respect of the Northern Ireland Childcare Subsidy Scheme. During the year, the charity received £10,575,000 in respect of this scheme and distributed £10,016,535; these amounts have been excluded from income and expenditure. At 31 March 2025, the charity held bank balances amounting to £558,465 in relation to these monies, with a corresponding balance of deferred income.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

32	Cash generated from operations	2025 £	2024 £
	Surplus for the year	229,378	580,272
	Adjustments for:		
	Investment income recognised in statement of financial activities	(1,276)	(685)
	Loss on disposal of tangible fixed assets	708	-
	Depreciation and impairment of tangible fixed assets	31,824	32,126
	Movements in working capital:		
	Decrease in stocks	9,618	5,159
	Decrease in debtors	261,027	3,963
	Increase/(decrease) in creditors	66,549	(187,314)
	Increase/(decrease) in deferred income	1,531,063	(4,329)
	Cash generated from operations	2,128,891	429,192

33	Analysis of changes in net funds	At 1 April 2024 £	Cash flows £	New finance leases £	At 31 March 2025 £
	Cash at bank and in hand	1,706,129	1,715,587	-	3,421,716
	Bank overdrafts	(1,176,837)	241,912	-	(934,925)
		529,292	1,957,499	-	2,486,791
	Loans falling due within one year	(92,019)	(8,937)	-	(100,956)
	Loans falling due after more than one year	(119,477)	110,705	-	(8,772)
	Obligations under finance leases	-	6,025	(40,000)	(33,975)
		317,796	2,065,292	(40,000)	2,343,088

34 Contingent liabilities

A portion of grants received may become repayable if the charitable company fails to comply with the terms of the letter of offer.

35 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before they cease to be a member.