

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) FOR THE YEAR ENDED 31 MARCH 2025

The Trustees present their annual report and financial statements for the year ended 31 March 2025.

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 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).

Objectives and activities

Formed in 1965, Early Years – the organisation for young children (hereafter, called 'Early Years' and 'the Organisation') works to promote the development of high quality care, education and play facilities for children aged 0-18 years and their families.

It is the largest voluntary organisation, employing an average of 229 staff across SureStart, Pathway, HSC Regional Contract arrangements, Northern Ireland Childcare Subsidy Scheme, ASPIRE (PEACE PLUS), Toybox (which works with Traveller, Roma and ethnic minority families), EY core training, and membership activities, working in the early years care and education sector across the breadth of Northern Ireland, and, increasingly, internationally.

Early Years objectives, as outlined in the Organisation's Articles of Association, are as follows:

- To promote and enhance the development and education of children aged 0-18 years, their parents or carers, and those who work with, or provide services to them ('the beneficiaries') in Northern Ireland and in any other part of the world and in particular.
- To provide information, advice, support services and training to the beneficiaries.
- To support and develop projects, either alone or in partnership with statutory or voluntary organisations, which encourage the beneficiaries to understand and provide for the needs of children.
- To encourage, develop and support the formation of playgroups, parent and toddler groups, full daycare groups, crèches and other such groups.
- To encourage the study of the needs of children and to stimulate and educate the public interest in this and other related educational and social fields.
- To act as a representative for the beneficiaries in relation to government policies and legislation.
- To administer programmes of funding to support any or all of the charitable purposes of the Organisation.
- To advance any other exclusively charitable purpose as the trustees may, from time to time, decide in accordance with the law of charity.

The Organisation supports and endorses the United Nations Convention on the Rights of the Child (UNCRC) to which both the UK and Irish governments are signatories. The Organisation will continue to use the Convention and the concluding observations of the Committee on the Rights of the Child as a basis for its work with young children.

In particular the Organisation will work towards implementing the UNCRC's position on young children known as General Comment Number 7. Periodically the Committee on the Rights of the Child publishes reports (termed General Comments) which detail, for specific circumstances or groups of children, how the Committee wishes to see the Articles of the Convention interpreted and implemented. General Comment Number 7 sets out how the rights enshrined in the Convention must be fully implemented for young children and how, in doing so, governments and civic society can provide a clear framework for young children to realise their rights under the Convention.

The Organisation supports A Shared Future Policy Agenda and will work towards implementation of the policy throughout the Early Years network.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Mission Statement

The Mission of Early Years is to lead and innovate to ensure high quality shared early education and care services that support resilience for young children, their families and communities.

Organisational Vision

- Children are strong, competent and visible in their local communities.
- Parents, carers and families live in communities with healthy relationships that nurture good child development outcomes.
- Children and families are physically and emotionally well and resilient.
- Children are eager and able to learn and reach their full potential.
- Parents/carers, families and service providers are empowered and resilient.
- Children are respectful of difference and grow up in a peaceful and shared region.

Organisational Values

Early Years believes in:

- Childhood - in its own right
- Listening to children – and those who care for them
- A strong voice for children
- Play, fun and creativity
- Parents as lead educators
- Participation of children and families
- Community involvement and development
- Partnership
- Inclusion and diversity
- Excellence and evidence-based innovation
- Effective stewardship and governance
- A professional, committed and recognised early learning and care workforce
- Valuing staff, members and their commitment

This Vision is driven by the Organisation's Strategic Plan 2022-2026, with the aims of:

- Young children and families being able to access high quality evidence-based early childhood services in SureStart areas;
- Leading, developing and promoting learning and understanding of diverse early childhood services and associated pedagogy;
- Championing engagement with parents, families, member groups and branches in advocacy for young children, and
- Achieving long term organisational sustainability including financial, governance, environmental robustness and democratic participation.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

In furtherance of its aims, objectives, values and principles, Early Years provides the following services to the early years sector:

- A team of highly qualified Quality Mentors and Advisors working within a range of settings and supporting key Early Years projects, research and practice and working with playgroups, nursery schools and units, parent and toddler groups, full day-care groups and after schools;
- High/Scope training and development staff who support early years services in Northern Ireland and the Republic of Ireland implement the High/Scope approach;
- An information, research, communication and publication service supporting policy influence and information dissemination;
- A lead role in SureStart Projects across Northern Ireland;
- A specialist service working with Traveller and Roma, and extending reach to ethnic minority families – Toybox;
- Governance and leadership support for management committees to develop sound community development and social economy approaches;
- A team of Early Years Trainers providing a range of training and professional development within settings and for Management Committees;
- A Pathway fund Administration Team which distributes funding to the sector coupled with financial back-office support;
- A Northern Ireland Childcare Subsidy Scheme (NICSS) team which administers the scheme to the early years sector;
- A bespoke project (ASPIRE) funded by Peace Plus aimed at supporting Shared Education in the voluntary, community, independent and statutory pre-school sector;
- Delivery of daycare services;
- A consultancy service providing advice and training support on a range of early years issues in Northern Ireland and internationally, and
- A range of additional membership services including a payroll service, a disclosures service, access to statutory training, preferential rates with third party suppliers, a competitive insurance package, and discounts on publications/training materials.

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

Early Years developed a new strategic plan for 2022 to 2026 with a strong focus on people and pedagogy. This plan was implemented from April 2022. Over the year, a focus on the broader early childhood education and care workforce was realised.

Key highlights from the year include:

- A partnership with Stranmillis University College continued with proposals for a Memorandum of Association to be developed to bring forward the establishment of a professional body for early care and education workers;
- Delivery on Year 9 of the Pathway Fund which enabled an investment by DE of £3,938,026 across 177 projects;
- The €34.4m ASPIRE project (€6.4m allocated directly to early years) funded by the EU Peace IV Programme for shared education within the pre-school sector commenced. The Programme is underpinned by a strong partnership between Early Years – the organisation for young children, Education Authority, Leargas, the Fermanagh Trust and the National Childhood Network. Activity in 2024/25 focused on recruitment of project staff, project initiation and recruitment of settings for year 1 delivery.
- Early Years "EY" continued to be Lead Body for six SureStart projects, and accountable for three, providing support services in the areas of improvement of socio-emotional development, predispositions for learning, language skills, and physical and mental health to over 8,000 children and their families.
- Delivery of the Northern Ireland Childcare Subsidy Scheme (NICSS) with 1,482 providers participating. Over £8 million in childcare costs, saved by parents.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Strategic report

The description under the headings "Achievements and performance" and "Financial review" meet the company law requirements for the Trustees to present a strategic report.

Achievements and performance

For the outgoing year notable achievements include:

The growth of the quality mentor/advisor service to deliver upon a regional service focused on mentoring and advice. The organisation brought innovation to the forefront with a summer Reggio inspired conference, and further implemented a programme for new leaders within the sector and for those entering the profession of early years. Tailored training, bespoke to individual members was further developed to meet the evolving needs of the sector.

Early Years continues to focus on key evidence-informed, outcomes-focused programmes including the Media Initiative for Children Respecting Difference Programme, with delivery supported via a Department of Foreign Affairs grant. Eager and Able to Learn remained integral to quality improvement across the Daycare Sector. The organisation continues to lead on the HighScope approach and the benefits of this were further evidenced in an external scoping exercise undertaken to identify potential for expansion to work with ethnic minority communities through the Toybox project. The organisation was able to demonstrate the tangible improvements for Traveller Roma families, and with additional investment piloted work with ethnic minority families. Early Years continues to play a lead role in the Early Childhood Peace Consortium and the International Network on Peacebuilding with Young Children, with work commencing on a new strategy.

As part of the Organisation's advocacy role on behalf of the sector, to advocate, mobilise and influence early years' policy developments that are rights based, evidence informed and appropriately resourced, EY continues to advocate for the publication of an Early Learning and Childcare Strategy. A range of consultations were undertaken throughout the year with our members. Research was undertaken to review the community and voluntary Early Years Sector in Northern Ireland, building upon previous work carried out in 2019.

We are determined to continue our focus, with commitment, dedication and determination and to better leverage EY membership, parents and public support for key policy objectives which support the rights of young children and deliver outcomes for young children, six key messages have been developed to influence DE strategy. EY continues to increase its online advocacy profile, with significant increases in Facebook and Twitter following.

In communicating and disseminating a robust knowledge transfer strategy, the Organisation continues to deliver the Pathway Fund on behalf of DE, moving an increasing number of recipient organisations to the noted OBA framework monitoring and reporting in the year. Within this period a new scheme was also brought to fruition; The Northern Ireland Childcare Subsidy Scheme (NICSS) administered by Early Years. This is directly delivered by registered childcare providers participating in the Tax-Free Childcare (TFC) scheme, including daycares, playgroups, childminders, and Approved Home Childcares. The overarching aim of this scheme is to help working parents with the affordability of childcare costs.

In addition, delivery of PEACE PLUS and associated education and sharing outcomes commenced following a successful PEACE PLUS bid, which saw over 2,395 children being reached in year 1 in relation to diversity and respect for difference and sharing.

Early Years has prioritised the delivery of safe, sustainable and stable services during a period of great uncertainty and it is notable that the organisation continues to deliver funding support across the full range of registered services.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Conclusion

Early Years will continue and increase its role in advocacy. The implementation, in partnership with the Department of Education, of the Pathway Fund by Early Years, as the organisation selected to deliver the fund following a competitive tender process, continues to be a real success. The initiation of the Northern Ireland Childcare Subsidy Scheme (NICSS) has delivered much needed support to parents and providers across the region with 16,007 children; 13,296 households benefiting from reduced childcare costs.

Children remain at the centre of Early Years, and it is their needs and interests that guide all staff members in both long term strategic and every day activity. With the focus on children underpinning everything the organisation does, we are sure that Early Years will continue to innovate and grow.

The Board would wish to commend the continued commitment, dedication and sheer energy and enthusiasm of Early Years staff and the membership. It is these personal attributes of all involved that make the work of Early Years so successful, everyone should be very proud of the impact they are making day to day on the lives of our young children.

Financial review

The Charity's principal sources of funding are as disclosed in note 4 of the financial statements and its expenditure is detailed in notes 8 and 9 of the financial statements, have supported the Charity's key objectives as highlighted on pages 1-3.

The results for the year are set out in detail on pages 16 to 36. The Charity had net incoming resources for the year of £229,378 (2024 - £580,272).

At 31 March 2025, the total funds of the charity amounted to £1,499,126 (2024 - £1,269,748) comprising restricted funds of £302,288 and unrestricted funds of £1,196,838.

Unrestricted funds are considered essential to provide sufficient funds to cover any unforeseen costs which may arise and fulfil the legal obligations of the charity in the event that current levels of income are not maintained. Note 28 of the financial statements provides a breakdown of net assets between restricted and unrestricted funds. The breakdown shows that unrestricted funds include fixed assets with a net book value of £767,371, net current assets of £464,214 and long term liabilities of £34,747.

As result of surpluses recorded in the prior and current year, the charity's level of unrestricted funds is now in line with the target set by the Board's reserves policy, as explained more on the next page. This is particularly pleasing because the organisation had faced several challenging years in the period between 2015 and 2020, which put pressure on unrestricted funds. The significantly improved financial position is testament to the hard work and commitment of the Board and Senior Management Team as they have implemented a finance strategy that was designed to build up the level of reserves over recent years. Both the Board and the Senior Management Team remain committed to this finance strategy with a view to continuing to increase the level of reserves in the short to medium term.

During the year ended 31 March 2025, Early Years continued its successful management of the Pathway Fund and commenced management of the Northern Ireland Childcare Subsidy Scheme, both of which contributed to the surplus achieved in the year.

Despite now having reached the target level of reserves the organisation remains focused on further strengthening the financial position and growing unrestricted reserves for future reinvestment in sustained growth. Management accounts for the period after the year end show that reserves have continued to increase and financial projections indicate that the organisation will have adequate resources to meet all financial commitments as they fall due. The charity's remaining bank borrowings are due to be fully repaid by April 2026.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Reserves Policy

The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (as amended for accounting periods commencing from 1 January 2019) (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) defines unrestricted reserves as funds which are expendable at the Board's discretion in furtherance of any of the charity's objects but which are not yet spent or committed. Consistent with responsible financial management, the Board balances the needs of their current and future beneficiaries by identifying the likely challenges and opportunities the Organisation faces in the medium to long term. A reserves policy and adherence provide confidence that the Organisation can meet its operational requirements. A full review of the Organisation's reserves policy was carried out in August 2012 and again in 2016 and 2023. As recommended by the Charities Commission for England and Wales, the reserves policy was agreed following an analysis of the following four factors:

- Forecasts for levels of income in future years taking into account the reliability of each source of income and the prospects for opening up new sources;
- Forecasts for expenditure in future years on the basis of planned activity;
- Analysis of any future needs, opportunities, contingencies or risks, the effects of which are not likely to be met out of income if and when they arise;
- Assessment of the likelihood of each of those needs and risks materialising and the potential consequences of the charity not being able to meet them.

On the basis of this review, the Organisation has defined the following reserves in order to meet both the current and imminent future needs of the Organisation:

General Funds - Tactical: The aim of the general reserve is to hold 8 weeks' worth of unrestricted expenditure to cover short term setbacks or cash flow difficulties. The balance at 31 March 2025 was £1,196,838 (2024 - £979,342), which includes fixed assets with a net book value of £767,371. Free reserves amounts to £464,214 and reflects the short-term tactical reserves required by the Organisation and equates to approximately 8 weeks' worth of unrestricted expenditure, which is in line with the target set by the Board at the most recent review of its reserves policy. The Board is pleased to report that the target level of reserves was achieved by 31 March 2025 and remains committed to growing the level of reserves in future periods.

These reserves are detailed in note 23 of the financial statements.

Risk Management

The Senior Management Team continued to implement a risk-based approach during the year. The following actions were completed:

- The Corporate Risk Register was regularly reviewed and updated at meetings of the Senior Management Team and the Board to ensure that it supported the delivery of the Organisation's Balanced Scorecard.
- The Senior Management Team managed a Fraud Risk Register, which is reviewed on a six-monthly basis.
- Staff received further support in risk awareness and risk assessment. A new risk management and mitigation template is being piloted across several business units.
- The Health and Safety Committee met monthly and its annual work-plan; the Committee also focussed further on the reporting and management of health and safety issues and adopted the learning into policies and practice.
- The Organisation continued to implement actions arising from its Safeguarding Committee to ensure that best practice could be developed and shared.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

The key risks relevant to the Organisation have been identified within the Corporate Risk Register, and include the following:

- Reduced funding to the voluntary sector as a result of prevailing economic challenges – this was particularly evidenced in the first quarter of the financial year where all Government funding was limited to a three month planning horizon.
- A lack of liquid reserves.
- A loss of credibility, funding and competitive edge if the behaviours of staff, Board, membership and key stakeholders, including third parties, do not represent the value-base of the Organisation.
- Injury or harm to children as a result of inappropriate practices or negligence.
- The impact on the Organisation of a critical incident or event.

Plans for future periods

Early Years will:

Enter into year two delivery of the ASPIRE programme which will further build upon broader partnership working across both Northern Ireland and Ireland.

Launch the findings from the research conducted on the community and voluntary early years sector, and committee to taking forward recommendations which are determined as part of our continued advocacy work.

Lead on a comprehensive review of the Media Initiative Respecting Difference programme. This will bring forward a thorough review of current programmatic materials and associated resources relating to peace and reconciliation for children, practitioners, parents, carers and wider community to ensure future delivery remains current/ relevant within society.

Seek further investment opportunity to bring forward the establishment of a shared early childhood centre of excellence at Clogher which will allow Early Years to maximise its evidence based excellence and innovation in a demonstration site with cross-community and cross-border reach.

Continue to build its reputation in fund management and was delighted to be appointed to deliver the Northern Ireland Childcare Subsidy Scheme for children aged 4-11 years on behalf of DE commencing September 2025.

Consolidate its international reputation on peacebuilding with young children through the International Network on Peacebuilding with Young Children.

Focus on consolidating its financial position to enable a clear and independent focus on advocacy for young children, families and those who work with them. It continues to focus on grassroots advocacy with strong community connections through its local Branch network, Daycare Forum and PSEP Forum.

Finalise the initiation of a Memorandum of Association with Stranmillis University College.

Structure, governance and management

Early Years is a company limited by guarantee; it does not have share capital. It is governed by a Memorandum and Articles of Association dated 8 November 1989, which was amended to allow for a name change to its current name on 12 April 2007, and further revised in 2012 and most recently in June 2016. The liability of each member is limited to an amount not exceeding £1.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

MT McDonagh, Chair
N Fulton
J Barkley
R Park, Treasurer
S McCambley
F Loye

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Trustees are elected for a tenure of three years, with the option of a further three-year tenure, by the members of the organisation attending the Annual General Meeting (AGM) in November. Trustees are nominated by the Board of Trustees. All members are circulated with details of retiring and nominated trustees prior to the AGM and are invited to vote either by proxy or when in attendance at the AGM.

The Board of Trustees administers the charity. The Board meets quarterly and is supported in its governance by a Finance & General Purposes Committee, which meets every six weeks. The Board of Trustees currently consists of six Trustees, including a nominated Chair and Treasurer. During the year, the day to day running of the Organisation was delegated to the Chief Executive Officer, Pauline Walmsley.

All new trustees and Board members receive both induction training and an induction pack comprising a Governance Manual outlining the role and responsibilities of the Board, organisational policies and procedures, and the Strategic Plan and annual Corporate Balanced Scorecard. Training for Board members is provided as required; a skills audit is also undertaken annually to identify current and future training needs of Board members.

Employee involvement

The charity's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the charity continues and that the appropriate training is arranged. It is the policy of the charity that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

EARLY YEARS - THE ORGANISATION FOR YOUNG CHILDREN

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT AND STRATEGIC REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2025

Statement of Trustees' responsibilities

The trustees, who are also the directors of Early Years - the organisation for young people for the purpose of company law, 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).

Company Law 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, including the income and expenditure, of the charitable company 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 UK 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 adequate 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 Companies Act 2006. 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.

Auditor

In accordance with the company's articles, a resolution proposing that GMcG BELFAST be reappointed as auditor of the company will be put at a General Meeting.

Disclosure of information to auditor

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

The Trustees' report, including the strategic report, was approved by the Board of Trustees.



MT McDonagh, Chair
Director



R Park, Treasurer
Director

Dated: 16 September 2025

Dated: 16 September 2025