

**UNDER FIVES PROJECT  
REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**Registered Charity No. 1026486**

**Azets Audit Services Limited  
Accountants  
First Floor  
River house  
1 Maidstone Road  
Sidcup  
DA14 5RH**

## UNDER FIVES PROJECT

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## UNDER FIVES PROJECT

### REFERENCE AND ADMINISTRATIVE DETAILS

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<b>Trustees</b>	Edel Redmond Jenny Thompson Helen Carr Sarah Carr
<b>Management Committee</b>	Jenny Thompson (Chair) Edel Redmond (Treasurer) Ella Carr
<b>Charity Registration Number</b>	1026486
<b>Principal Office</b>	St. Mary's Church Greenlaw Street London SE18 5AR
<b>Independent Examiner</b>	C. Cooper FCCA Azets Audit Services Limited Accountants First Floor River house 1 Maidstone Road Sidcup DA14 5RH
<b>Banker</b>	Santander Bootle Merseyside GIR 0AA

## **UNDER FIVES PROJECT**

### **REPORT OF THE MANAGEMENT COMMITTEE**

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The Management Committee present their report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's trust deed, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published on 16 July 2014.

#### **OBJECTIVES**

The objectives of the charity are:

To protect and preserve the physical and mental health of children and their parents in the London Borough of Greenwich by the provision of an outstanding Ofsted nursery and daycare provision for children 2-5 years who are in need and thereby relieving the stress of their parents who are similarly in need by virtue of their social or economic circumstances.

#### **REVIEW OF THE YEAR**

The past year has been another outstanding one for Under 5's. We are pleased to report a stronger financial position, primarily due to the increased capacity and rapid growth of our second site.

The introduction of our baby room has proven to be highly beneficial for families seeking continuity throughout their childcare journey. We remain committed to further developing this provision, with expansion being a key goal for the upcoming year.

Significant attention has been given to enhancing both our indoor and outdoor facilities, including garden refurbishments, new fencing, and additional equipment. We have also continued to embrace our "natural environment" ethos, upgrading much of our equipment to align with this philosophy.

Furthermore, we have dedicated time to reviewing and improving our SEN provision. We are proud to lead the way in how we support vulnerable families and have established a dedicated SEND team to ensure the highest level of support for these children.

In summary, it has been a year of growth, reflection, and improvement. We are excited about the future and remain committed to providing exceptional care and support for all the families we serve. Looking ahead, we are focused on expanding our services, further enhancing our facilities, and continuing to build on our inclusive approach to childcare.

#### **STATEMENT ON PUBLIC BENEFIT**

The objectives and activities, and achievement and performance sections of this report clearly set out the activities which the charity undertakes for the public benefit. The trustees confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Commission in determining the activities undertaken by the charity.

#### **FINANCIAL REVIEW**

Total income for the year was £648,545 (2023: £440,321). Total expenditure for the year was £603,424 (2023: £495,096). This resulted in a surplus for the year of £45,121 (2023: deficit of £54,775).

The funds at 31 March 2024 were £4,019 in surplus (2023: £41,102 in deficit), of which none (2023: £nil) are restricted.

#### **RESERVES POLICY**

The balance of unrestricted funds at year end was £4,019 in surplus (2023: £41,102 in deficit). The Trustees' policy on reserves is to have a minimum of two months cover of budgeted operating costs approximately £80,000 (2023: £77,000).

The current level of reserves is below the Trustee's policy, but due to the current climate, and the second site opening we have unfortunately not been able to build the reserves back up, we are hoping this is something we can start to prioritise in the coming years.

## **UNDER FIVES PROJECT**

### **REPORT OF THE MANAGEMENT COMMITTEE**

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#### **GOING CONCERN**

The organisation is in the process of carrying out a review of all of its incoming streams and project costs.

We have had a year full of charge and rapid growth, this has inevitably meant that investment had to happen for the project to take place, we are now looking to the future year to regain financial stability.

The times that we are in are very challenging, and there is a national crisis of underfunding in early years, we are hoping the future brings positive changes to government policy at the very heart of how early years is valued. We continue to remain positive and hope that the second site will offer us more security and financial safety than we have had previously, we are a long-standing charity that is looking to move forward and upwards.

On the basis the Trustees consider the going concern basis for the preparation of the accounts to be appropriate.

#### **RISK MANAGEMENT**

The trustees have reviewed the major and financial risks that impact on the work of the charity. The systems that have been established enable the trustees to review and take necessary steps to lessen these risks. The trustees consider the following to be the principal risks that the charity faces:

- Loss of income from the London Borough of Greenwich – risk mitigated by effective monitoring of finances and actively seeking alternative forms of funding.
- Children's Safety – risk mitigated by ensuring all current health and safety requirements are met or exceeded.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **Constitution**

The Charity is an unincorporated entity, governed by a Constitution dated April 1990 and amended on 16 September 1993 and 17 April 2008. It is a registered charity, number 1026486.

##### **Trustees**

The following have served as Trustees during the year to date:

Edel Redmond  
Jenny Thompson  
Helen Carr  
Sarah Carr

##### **Management Committee**

The following have served on the Management Committee during the year to date:

Jenny Thompson (Chair)  
Edel Redmond (Treasurer)  
Ella Carr

The Management Committee shall consist of at least 6 members and not more than 12 members. The Management Committee shall be elected at the Annual General Meeting each year. The Management Committee shall meet at least 3 times a year.

The trustees are aware that the current management committee is lower than the required 6 members, however they will be reviewing this in the coming year.

## **UNDER FIVES PROJECT**

### **REPORT OF THE MANAGEMENT COMMITTEE**

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#### **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

The trustees are responsible for preparing the Trustees' Annual 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 & Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Approved by the Trustees and signed on their behalf:

**Jenny Thompson**  
**Management Committee**

3 February 2025

**Date**

## UNDER FIVES PROJECT

### INDEPENDENT EXAMINER'S REPORT TO THE MANAGEMENT COMMITTEE

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I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 March 2024 which are set out on pages 6 to 12.

#### Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

**C. Cooper (FCCA)**

For and on behalf of Azets Audit Services Limited

Date 6 February 2025

Accountants  
First Floor  
River house  
1 Maidstone Road  
Sidcup  
DA14 5RH

**UNDER FIVES PROJECT**

**STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 MARCH 2024**

	Notes	Unrestricted Funds £	Total 2024 £	Unrestricted Total 2023 £
<b>Income from:</b>				
Charitable activities:				
Fees and nursery vouchers		145,790	145,790	121,234
Grants receivable	2	502,075	502,075	319,071
Bank interest		680	680	16
<b>Total income</b>		<u>648,545</u>	<u>648,545</u>	<u>440,321</u>
<b>Expenditure on:</b>				
Charitable activities:				
Provision of nursery care	4	603,424	603,424	495,096
<b>Total expenditure</b>		<u>603,424</u>	<u>603,424</u>	<u>495,096</u>
<b>Net income</b>		45,121	45,121	(54,775)
<b>Reconciliation of funds:</b>				
Total funds brought forward		(41,102)	(41,102)	13,673
<b>Total funds carried forward</b>		<u>4,019</u>	<u>4,019</u>	<u>(41,102)</u>

All transactions are derived from continuing activities.

All recognised gains and losses are included in the Statement of Financial Activities.

**UNDER FIVES PROJECT****BALANCE SHEET  
AS AT 31 MARCH 2024**

	Notes	2024 £	2023 £
<b>Fixed assets</b>			
Tangible fixed assets	6	3,154	1,338
<b>Current assets</b>			
Debtors - prepayments		3,648	-
Cash at bank and in hand		30,237	1,249
		<u>33,885</u>	<u>2,587</u>
<b>Creditors:</b> Amounts falling due within one year	7	<u>(33,020)</u>	<u>(43,689)</u>
<b>Net Current assets</b>		865	(42,440)
<b>Net assets</b>		<u>4,019</u>	<u>(41,102)</u>
<b>FUNDS</b>			
Unrestricted Funds		<u>4,019</u>	<u>(41,102)</u>
		<u>4,019</u>	<u>(41,102)</u>

The financial statements were approved on 3 February 2025 and signed on behalf of the Board by:

**Jenny Thompson**  
Management Committee

**Edel Redmond**  
Management Committee

## UNDER FIVES PROJECT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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#### 1. ACCOUNTING POLICIES

##### 1.1 Basis of preparation

Under Fives Project is a unincorporated charity in the United Kingdom, governed by a constitution dated April 1990 and amended on 16 September 1993 and 17 April 2011. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are detailed on page 2.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015. Updated by Bulletin 1 & 2.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

##### 1.2 Income

All income is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

The charity receives government grants in respect of nursery fees. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

##### 1.3 Expenditure

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following heading:

- Expenditure on charitable activities includes those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs allocated directly to such activities and those costs of an indirect nature necessary to support them.

##### 1.4 Funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

## UNDER FIVES PROJECT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

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#### 1.5 Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to expenditure on charitable activities on a basis consistent with use of the resources.

#### 1.6 Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

Computers and equipment                      - 25% straight line

#### 1.7 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### 1.8 Debtors and creditors receivable / payable within one year

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 expenditure.

#### 1.9 Corporation Tax

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

#### 1.10 Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient, after taking into consideration the change in staff and using apprentices to save money and cost reductions, with the level of reserves for the charity to be able to continue as a going concern.

#### 1.11 Judgements and key sources of estimation uncertainty

Accounting estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The following judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the financial statements:

## UNDER FIVES PROJECT

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

#### 1.11 Judgements and key sources of estimation uncertainty (continued)

##### *Useful economic lives of tangible assets*

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 6 for the carrying amount of the tangible fixed assets, and note 1.6 for the useful economic lives for each class of assets.

##### *Bad debts*

Debtors are regularly reviewed for recoverability, any debts which in the opinion of management are not recoverable are provided for as a specific bad debt.

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### 2. INCOME FROM CHARITABLE ACTIVITIES

	2024 £	2023 £
London Borough of Greenwich	502,075	319,071
	<u>502,075</u>	<u>319,071</u>

#### 3. STAFF COSTS AND TRUSTEE' REMUNERATION

	2024 £	2023 £
Wages and salaries	360,665	310,097
Social Security costs	21,178	4,180
Recruitment	534	315
	<u>382,377</u>	<u>314,592</u>

The average number of employees (including casual and part time staff) during the financial year was 20 (2023: 16)

There were no employees earning more than £60,000 during the year (2023: none).

The management committee as listed on page 1 are all voluntary roles.

None of the Trustees received any remuneration or reimbursed expenses during the year (2023: none).

**UNDER FIVES PROJECT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

**4. CHARITABLE EXPENDITURE**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Staff Costs	382,377	314,592
Agency Staff	60,303	45,378
Rent	25,310	37,750
Nursery supplies	4,945	4,133
Food & refreshments	16,316	7,883
Depreciation	922	459
Telephone, stationery & postage	17,322	15,941
Occupancy costs	53,958	20,331
Insurance	1,922	1,772
Payroll bureau	3,932	(916)
Training	1,902	687
New site set-up costs	21,124	43,020
Miscellaneous	1,897	1,141
Staff entertaining	1,415	-
Subscriptions	2,533	771
Governance	7,246	2,154
	<u>603,424</u>	<u>495,096</u>

**5. GOVERNANCE COSTS**

	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Independent examination	7,246	2,154
	<u>7,246</u>	<u>2,154</u>

**6. TANGIBLE FIXED ASSETS**

	<b>Computers and Equipment £</b>
<b>Cost</b>	
As at 1 April 2023	33,077
Additions	2,738
Disposals	(665)
As at 31 March 2024	<u>35,150</u>
<b>Depreciation</b>	
As at 1 April 2023	31,739
Charge for year	922
Released on disposal	(665)
As at 31 March 2024	<u>31,996</u>
<b>Net Book Values</b>	
At 31 March 2024	<u>3,154</u>
At 31 March 2023	<u>1,338</u>

**UNDER FIVES PROJECT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2024**

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<b>7. CREDITORS:</b> Amounts falling due due within one year	<b>2024</b>	<b>2023</b>
	<b>£</b>	<b>£</b>
Trade Creditors	17,270	3,034
Accruals	10,354	35,304
Other Creditors	5,396	5,351
	<u>33,020</u>	<u>43,689</u>

**8. RELATED PARTY TRANSACTIONS**

There were no related party transactions during the year (2023: None).