

Charity Registration No. 1109642

Company Registration No. 05389477 (England and Wales)

**CHILD DYNAMIX**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 MARCH 2022**

**tc** accounts · tax · legal · financial planning

74 Lairgate  
Beverley  
East Yorkshire  
United Kingdom  
HU17 8EU

## CHILD DYNAMIX

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## CHILD DYNAMIX

### LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Trustees</b>	J Boyd B A Bradley G E Coyle P D Duffield P M Perera K Sturdy	
<b>Senior Management team</b>	C M East L Darnell N Clark A Wheal	CEO/Company Secretary Head of HR and Finance Head of Childcare Children & Family services manager
<b>Charity number</b>	1109642	
<b>Company number</b>	05389477	
<b>Principal address</b>	95 Preston Road Hull East Yorkshire United Kingdom HU9 3QB	
<b>Registered office</b>	95 Preston Road Hull East Yorkshire United Kingdom HU9 3QB	
<b>Auditor</b>	TC Group 74 Lairgate Beverley East Yorkshire United Kingdom HU17 8EU	

## **CHILD DYNAMIX**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**

**FOR THE YEAR ENDED 31 MARCH 2022**

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The trustees, who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### **Objectives and activities**

##### **Objectives and aims**

The Objects for which the Company is established are to promote social regeneration by providing relief, in particular but not exclusively to, children, young people and their families who are resident or employed across the Humber Sub-Region who have need because of age, mental or physical disability, poverty or addiction. In particular, but not so as to limit the generality of the foregoing to provide combinations of early years education, play work, youth work, community sports, family support and health advice, learning and employment services.

##### **The vision and beliefs and Key priorities**

**Our vision is:** Communities where children and young people thrive

**Our purpose is:** To create environments and deliver activities that enable children and young people to identify and realise both their aspirations and their potential.

##### **How our activities deliver public benefit**

Our main activities are described below and focus on the objectives for which Child Dynamix was created in 2005, including changes to these objectives in 2014. The services provided to children, young people and their families are for the most part free and all are open and accessible to all. Where there are fees to be charged there are opportunities for those unable to afford these fees to access the service via other funding streams i.e., local authority/social services, two-year-old funding and early years education grants. In addition to this, the charity receives pupil premium for children in need within its Childcare settings. The trustees considered the Charity Commissions guidance on public benefit when planning and developing the charity's activities at all its meetings. For specific activities, funding is sought in partnership with the young person or group to enable them to achieve their aspirations. The Corporate Social Responsibility policy is embedded across the charity, and explains the way in which the charity supports other small community organisations and takes a responsible approach to the environment.

## **CHILD DYNAMIX**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2022**

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#### **Achievements and performance**

##### **Who used and benefited from our services:**

##### **Community Day Nurseries:**

Child Dynamix has three day nurseries, two in East Hull (CDCN Preston Road and CDCN Savoy Road) and one in West Hull (CDCN Boulevard). We know our day nurseries play a critical role in the learning and development of the youngest children and we aim to offer the finest provision by providing stimulating learning environments for the children who attend. We also know the importance of quality day care to enable families to access employment and learning opportunities. We aim to provide a flexible approach to meet the needs of children and their families.

Covid 19 continued to impact our nursery offer throughout this financial year. Our teams continued to respond to local and national guidance and restrictions. In the previous financial year, there were times when restrictions meant we could only open for specific children, however there were no such restrictions in this year. Our settings remained open, and continued to provide care and education for all their children. This meant children continued to receive learning and development opportunities and our teams worked tirelessly to minimise the impact upon our youngest children and their families. Our nursery leaders worked flexibly to support all our families through the challenges, particular concerns related to health and safety, and minimise the spread of the infection especially when new variants emerged.

Whilst it was possible for many people to work from home, or work flexibly, our nursery teams continued to come on site each day. Everyone came together to provide for our children recognising the importance early years has in the outcomes of children, and the part it plays in the lives of working families. At times there was nothing 'normal' about coming to work but our members of staff were determined that our children would not see this whilst in our care.

Throughout this period, the nursery teams continued to monitor children's learning and development to ensure we minimised the impact of restrictions on their outcomes. Teams welcomed the changes to the Early Years Foundation Stage curriculum in September 2021 and used the changes to revisit how the curriculum is delivered throughout our settings. The Local authority developed an Assessment Score Card which allows children's key workers to analyse individual children's learning and potentially offer additional support if necessary.

We continued to work closely with local colleges to offer placements for childcare students and with Bishop Burton College in connection with the T-Level and transition T-Level Programme in Education and Childcare.

Across April 2021 – March 2022, there were 443 children on roll across our nurseries. Of those 443 children, 33 were receiving additional support funding, with a further 83 children experiencing some other learning difficulty or development delay. This means 26% of children attending our settings had some kind of special educational need or disability. We supported 50 families to access 30-hour funding, enabling them to increase childcare to meet their needs.

## CHILD DYNAMIX

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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#### **Community services and activities: (children, young people and families)**

Over the course of the year Child Dynamix staff and volunteers have worked with **2373** children and young people and **1067** adults/carers in communities across Hull.

Child Dynamix offers children, young people and their families a range of services and support through our community services and activities. Our offer continued throughout the changing guidance and restrictions related to Covid:

- **Little Stars Children's centre** sits in the Early Help provision within the East Locality in the city of Hull. The team provides family support and a range of services for local families including parenting support, understanding children's behaviour with courses to help with parenting, child safety, infant feeding, budgeting, cooking and providing healthy meals, help to access early education funded nursery places and promote parents understanding of early childhood development. The team provides regular stay and play sessions, creating a language-rich and stimulating environment in which children and their parents/carers can come together. In the team we have a member of staff dedicated to supporting expectant mothers and their families until the baby is 18 months (now funded by Henry Smith Charitable Trust, previously Sylvia Adams Charitable Trust). Throughout the year, the team made a number of adaptations to ensure it could continue to deliver all aspects of its service, using learning from previous restrictions to ensure it could respond quickly as guidance changed. The nature of the service means team members work closely with professionals from other agencies including schools, children's social care, as well as local charities and voluntary organisations. This approach ensures children and families received the level of support they need to make lasting change and get the help they need quickly.
- **Our Parent Mentor service** is part of HeadStart Hull programme, and based in our Boulevard setting. Our Parent Mentor workers oversee volunteer mentors who support parents with a range of issues and needs. With training and support volunteer mentors, who are or have parented children aged 10 to 16 years, provide consistent (often weekly) support to other parents. This has brought many benefits to both the Mentor and parent; support predominantly focusses on issues impacting the emotional health and well-being of their young person. The team continued to deliver through the various restrictions and changes to guidance, using learning from previous restrictions to guide their delivery. The team continued online, telephone and virtual support as these approaches often worked better for some people, and undertook a cost benefit analysis which demonstrated the importance of their work. However, in the autumn the recruitment of new volunteers was paused as we awaited news of the future sustainability of HeadStart, and in December 2021 we received news that there would be no funding beyond the current contract. The team worked tirelessly to support both volunteers and parents to ensure open cases were closed and support was referred to other providers. Child Dynamix continues to seek funding for Parent mentoring, recognising how important this approach is in our family support offer.

**From the Hut Youth centre**, we provide a range of services for the community and young people, and continue to utilise the fantastic facilities the building offers following the extension and internal redesign. The teaching kitchen with rise and fall worktops and accessible cooker, IT suite, dance and craft rooms have been used for individual and group session by the team, and by local groups who hire the spaces to deliver their projects. More broadly, the youth team provide a range of services including one to one support, small group work and larger sessions with as many as 40 young people on a Friday night. Naturally, restrictions and guidance have influenced their delivery, with larger groups and events being outdoors. The team also works in local community spaces, schools and sport fields to offer the widest variety of activities. Again, this team went to great lengths to ensure it could meet varying needs of local children and young people and stay connected to them. When schools were closed, many young people lost contact with trusted adults and the team recognised that they needed to work differently to stay connected. As restrictions changed, we were able to rely on outdoor activities to engage and help respond to the increasing demand for support, particularly around emotional health and wellbeing.

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**Young people**

- **Youth Commissioned Work** – The youth team continues to deliver our commissioned youth provision across East Hull. The team works from The Hut, Eastmount Recreation Centre, Shelley Avenue and parks and open spaces across the area. Our commissioned partners, Maximum Life Youth Project and St. Stephens Neighbourhood Centre, support with the delivery in the Greatfield and Ings communities. The team provides a range of activities for young people including music, sport, cooking, arts and crafts, and participates in annual events such as the Humber Night Challenge. The team seeks additional funds to support its delivery from, for example, Sport England, Clarion Futures and This Girl Can.
- **Youth in Nature** – Youth in Nature is a partnership project with Probe and Yorkshire Wildlife Trust. The project ended June 2021 but the environmental aspect of the programme continues through other projects we deliver. This means the focus on the local environment and opportunity to provide young people with new skills, knowledge and experiences remains in our offer.
- **Green Influencers** – The Green Influencers scheme encourages young people aged 10 – 14 years old across Hull to create meaningful connections with their natural environment and implement long-lasting change in their communities. This project is delivered across local schools and youth centres.
- **Whats Your Game?** - Is a partnership with Sanctuary Housing, the aim of the project being to help communities become more physically active by engaging in enjoyable, easy to access and arranged activities.
- **Erasmus** – funds work to support a group of young people to participate in transnational projects and environmental social action. The group is working with other groups of young people from Norway, Germany and Spain. This project provides opportunities for young people to travel and work with and learn from young people in other countries.

**Surveys and feedback**

We regularly carry out stakeholder surveys, evaluations and seek feedback to help us understand the impact the charity has had,

*"I live in SW England and stumbled across your site by chance. I wanted to say a massive thank you for the 6 videos you have posted for how best to support your teenager. We have been having a very tough time recently with our 14 year old daughter and I found all the videos to be calming"*

**Parent feedback about the Parenting Teenager Short Films**

*"Aimee brought activity bags and cooking packs through lockdown. L has sensory problems and difficulty eating and trying new foods. It's been difficult but Aimee has helped us to encourage L to try new food and she has brought things like separation plates, given us ideas to use and put me on a course to understand L's behaviour. L has made real progress".*

**Parent Feedback Little Stars Children's Centre June 2021**

*"My mentor is a lovely lady who is empathetic and was able to connect to me and listen, this organisation (Child Dynamix) is really helpful for people with a lot of issues and who cannot speak English well."*

**Parent feedback - Parent Peer Mentor Project June 2021**

*"I definitely feel more confidence and knowledge about my teenager's development. I can see the world from their eyes, everything has helped."*

**Parent Feedback – Talking Teens course July 2021 (part of the Parent Peer mentor Project)**

## CHILD DYNAMIX

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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*"Thank you for all your support given in looking after my son and giving me the advice needed for his SEN Needs, it's been really appreciated."*

**Nursery parent feedback – March 2022**

*"I think I've tried everything during the summer holidays, but the cooking and kayaking were my favourite. I've never been kayaking before, it was difficult at first and I got mad, but then the instructor showed me how to do it properly and I found it easier. The cooking was fun as well, the worker was smart and made it easy for us to learn, now my mum is making me do all the cooking at home."*

**Young person Feedback August 2021**

#### **Volunteering at Child Dynamix:**

Throughout the year our HeadStart Hull Parent Volunteers was the largest group of volunteers within the charity, with as many as 38 active volunteers supporting the project at any one time. Volunteering opportunities continue to be an important part of our service delivery and we are pleased to have been able to support volunteer Mentors to find alternative places to give their time as the Parent Mentor Project came to a close. We must also recognise the contributions to other parts of the charity, including volunteers who give their time and skills in our youth services, childcare and children's centre. Our trustees, also volunteers, have continued to support Child Dynamix in so many ways, particularly as the charity navigated the challenges of Covid and emerging issues impacting both the charity and our beneficiaries. This year volunteers offered 1238 hours of their time.

#### **Charity events and fundraising:**

Unfortunately, Covid halted many of the events and fundraising activities that we would normally have. Over the year smaller outdoor events to attract children, young people and families could go ahead whilst remaining within the guidance of the time. We were pleased to offer our teams the opportunity to have our annual Away Day, cancelled in 2020. The day was adjusted into smaller teams rather than the usual full Charity *get together*, to reduce the potential spread of the emerging Omicron variant of Covid.

#### **Investment performance**

Under the Articles of Association, the charity has the power to invest in any way the trustees wish.

#### **Financial review**

Covid continued to impact operations over the year, however we were quickly able to adapt our delivery and response to various changes to guidance. This did impact on the number of children and young people we could see in sessions, but had less impact on our nursery offer as there were no restrictions in attendance. The nursery teams worked flexibly to meet the needs of both children and their families and brought in an additional £30k.

Difficulties with recruitment have impacted all our services at some point and means overall spend on salaries was lower than projections. There were various small pots of funding for Youth, Family Support and Nature activities between £1k and £15k over the course of the year



## CHILD DYNAMIX

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 31 MARCH 2022*

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#### **Reserves policy**

Child Dynamix reserves following our twelfth year of operations stand at £873,619.

Of this figure £822,437 are unrestricted reserves and £51,182 are restricted reserves. A breakdown of the £51,182 restricted fund balances carried forward is shown in note 18 on page 33.

The Trustees of Child Dynamix aim to secure a minimum cash reserve of £230,000 which represents 17% of the Charity's average turnover (10 years). Close monitoring of the reserves is essential in helping us meet the demands of our strategic plan over the next three to five years. The target reserves amount of £230,000 has been calculated based on continuity planning taking account of the Charity's liabilities. This reserve also provides the Charity's cash flow.

First and foremost, the Charity needs reserves to provide working capital to support its day to day operations, which is vital when waiting for invoices to be paid. Some contracts can be paid in arrears leaving the Charity to cover general revenue costs for up to two months. Furthermore, many new funding streams are issued on a payment by results basis, which might split funding by as much as 50% which also then requires the Charity to hold funds to cover the full costs until final payment is made. The Trustees would also consider proposals from the Charity's Officers to create seed funding for development of new vital services, and finally the Trustees may be asked to consider extending individuals or team contracts for interim periods of no more than 3 months to bridge gaps where new funding has been secured but a gap is created between funding streams.

The Trustees have provision for the appointment of a Finance Trustee who, under the Articles of Association (reviewed 2014) has responsibility for monitoring and reviewing the agreed steps the charity has taken to establish and or maintain the reserves and for any proposals for using reserves. The responsibility, should the Charity face closure, will impact on the whole Trustee group, including the Finance Trustee, who would work with the Chief Executive Officer and senior leadership team.

The level of reserves set by the Trustees (see above) where possible, are grown through our Social Enterprise activities, which have three to five year financial plans. The reserves development and maintenance forms part of the general management accounting the Charity carries out, which takes place weekly, monthly and quarterly at differing levels. The Head of Finance and Human Resources creates actual to projected reports on a quarterly basis to the Finance committee and then on to the Board.

## CHILD DYNAMIX

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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#### Future plans

As a social regeneration charity, Child Dynamix recognises the importance of the whole family in relation to the outcomes for children and young people. Our themes of work - early years and childcare, family support and services for children and young people - offer both universal and targeted support. Levels and intensity of support differ depending on the presenting needs, but we recognise the many strengths children, young people and their families have. We see these as a positive starting point to enable people to make long lasting change with support from our staff and volunteers.

As we enter a new financial year, we have already begun to see the long-term impact of Covid upon children and young people, including speech and language concerns for our youngest children. The focus on the First 1001 Days and The Best Start for Life programmes already help to address this. Hull is one of 75 local authorities eligible for a share of £302m to develop Family Hubs. Announcements in relation to the allocation for Hull is expected in Summer 2022 and will build on an already healthy offer for children, young people and their families within the revised Early Help and Prevention Strategy 2021-25.

We continue to seek funding to enable us to retain mentoring as part of our Family Support offer and await a response from the National Lottery in relation to an application we have submitted in partnership with Cornerhouse Yorkshire.

We are also excited by a number of opportunities to increase the voice and influence that children, young people and families have regarding the services they receive from Child Dynamix and other services across the city as the Children and Young People's Voice and Influence strategy is further embedded. This links with opportunities for Child Dynamix to continue to support young people to participate in social action and develop the skills of our 'older' young people to then support other young people in this important work.

#### Structure, governance and management

##### Governing document

The Charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Child Dynamix is a company limited by guarantee and a registered charity. The company was legally incorporated on 11th March 2005 at Companies House, with a Memorandum and Articles of Association.

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

J Boyd

B A Bradley

G E Coyle

P D Duffield

P M Perera

H Schofield

K Sturdy

(Resigned 28 April 2021)

## CHILD DYNAMIX

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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#### Recruitment and appointment of new trustees

The Trustees shall have power at any time to appoint any person to be a Trustee but so that the total number of Trustees shall not exceed the number determined under Article 34. Every Trustee shall retire on the third anniversary of his or her appointment. A Trustee due to retire on the third anniversary of his or her appointment may, with the approval of a majority of the Trustees, stand for re-appointment for a second three-year term so that Trustees may, if re-appointed, serve two consecutive three year terms. A Trustee standing for re-appointment for a second three-year term will be re-appointed as a Trustee if his or her re-appointment is subsequently approved by a majority of the Trustees. The Trustees may resolve by majority that because of exceptional circumstances a Trustee may hold office for a third three-year term. At the end of that third three-year term that Trustee shall retire so that no Trustee shall serve more than nine consecutive years. A Trustee who has served nine consecutive years must stand down for a period of at least one year before being re-appointed as a Trustee.

#### Organisational structure

The Trustees held five meetings during 2021 – 2022, including the annual general meeting in September. The board has delegated the day-to-day operations to the Senior Management Team made up of the CEO, the Head of Finance & HR, the Head of Childcare and the Children & Family Services Manager. These job roles are externally reviewed, evaluated and benchmarked to similar sector positions.

#### Finance Committee

- Mr P Duffield Finance Trustee and Chair
- Mr K Sturdy Finance Trustee
- Mrs P Perera Finance Trustee

#### HR and Scrutiny Committee

- Miss J Boyd Chair of the HR and Scrutiny Committee
- Mr G Coyle HR and Scrutiny Committee
- Mr B Bradley HR and Scrutiny Committee

#### Child Dynamix Trading Ltd: (wholly owned trading arm of Child Dynamix)

- Mrs P Perera Director of Child Dynamix Trading Ltd
- Mr B Bradley Director of Child Dynamix Trading Ltd

The Health and Safety internal audit of each of the charity's premises took place in January 2021. In response to COVID19, Health and Safety practice was reviewed throughout the year in response to national and local guidance and restrictions, with significant adaptations to our workspaces and deployment of staff.

#### Induction and training of new trustees

The charity has a comprehensive induction pack for new Trustees (The Trustee Handbook). This Handbook includes role descriptions, conflict of interest, and code of conduct, the Articles and policies including finance and reserves. All Trustees of the charity complete the volunteer recruitment process, which includes a DBS enhanced check and undertake safeguarding training. Induction meetings are held with the Chief Executive and/or Chair of the Board prior to the first Board meeting attended. Trustees are encouraged to attend seminars and conferences on Charity law and governance issues when they are able. Information from these events is provided at subsequent board meetings.

## **CHILD DYNAMIX**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2022***

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#### **Risk management**

Child Dynamix maintains a risk register; the register considers financial, reputational and operational risks to the charity and is agreed with the Board annually. The charity has systems and controls in place to manage the exposure to its significant risks. The risk register is referred to and updated if required in each Board meeting. In addition to this, the charity uses risk analysis at a project and service level.

#### **Auditor**

The auditor, TC Group, will be proposed for re-appointment at the forthcoming Annual General Meeting.

The trustees' report was approved by the Board of Trustees.

#### **C M East**

Company secretary

Dated: 15 September 2022

## **CHILD DYNAMIX**

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

***FOR THE YEAR ENDED 31 MARCH 2022***

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The Trustees, who are also the directors of Child Dynamix for the purpose of company law, are responsible for preparing the 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 charitable company 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company 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 charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

## CHILD DYNAMIX

### INDEPENDENT AUDITOR'S REPORT

#### TO THE TRUSTEES OF CHILD DYNAMIX

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#### **Opinion**

We have audited the financial statements of Child Dynamix (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **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 charitable company 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**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## CHILD DYNAMIX

### INDEPENDENT AUDITOR'S REPORT (CONTINUED)

#### TO THE TRUSTEES OF CHILD DYNAMIX

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##### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and 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**

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

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

##### **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charitable company for the purpose of company law, 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 charitable company'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 charitable company or to cease operations, or have no realistic alternative but to do so.

**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. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

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

The objectives of our audit, in respect to fraud, are: to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and to respond appropriately to fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and its management.

Our approach was as follows:

- We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the directors and other management (as required by auditing standards), and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations;
- We considered the legal and regulatory frameworks directly applicable to the financial statements reporting framework (FRS 102 and the Companies Act 2006) and the relevant tax compliance regulations in the UK;
- We considered the nature of the industry, the control environment and business performance, including the key drivers for management's remuneration;
- We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit;
- We considered the procedures and controls that the company has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Where the risk was considered to be higher, we performed audit procedures to address each identified fraud risk. These procedures included: testing manual journals; reviewing the financial statement disclosures and testing to supporting documentation; performing analytical procedures; and enquiring of management, and were designed to provide reasonable assurance that the financial statements were free from fraud or error.



## **CHILD DYNAMIX**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

#### **TO THE TRUSTEES OF CHILD DYNAMIX**

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Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities is available on the Financial Reporting Council's website as: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditors' report.

#### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

**Michael Todd FCA (Senior Statutory Auditor)**  
**for and on behalf of TC Group**

**Statutory Auditor**

Office: Beverley

23 September 2022

TC Group is eligible for appointment as auditor of the charitable company by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006

CHILD DYNAMIX

STATEMENT OF FINANCIAL ACTIVITIES  
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2022

	Notes	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
<b>Income from:</b>					
Donations and legacies	3	1,394	-	1,394	6,325
<u>Charitable activities</u>					
Childcare	4	1,021,513	-	1,021,513	935,999
Youth, Sport and Play	4	452,970	62,497	515,467	478,528
C&YP activities	4	220,649	29,180	249,829	244,473
Core support	4	6,672	-	6,672	166,583
Other trading activities	5	-	-	-	1,490
<b>Total income</b>		<b>1,703,198</b>	<b>91,677</b>	<b>1,794,875</b>	<b>1,833,398</b>
<b>Expenditure on:</b>					
<u>Charitable activities</u>					
Childcare	6	818,084	-	818,084	727,423
Youth, Sport and Play	6	343,033	59,182	402,215	323,475
C&YP activities	6	194,796	32,986	227,782	235,342
Core support	6	281,819	-	281,819	280,895
<b>Total charitable expenditure</b>		<b>1,637,732</b>	<b>92,168</b>	<b>1,729,900</b>	<b>1,643,722</b>
Financing costs	11	18,375	-	18,375	16,875
<b>Total resources expended</b>		<b>1,656,107</b>	<b>92,168</b>	<b>1,748,275</b>	<b>1,660,597</b>
<b>Net income/(expenditure) for the year/ Net movement in funds</b>		<b>47,091</b>	<b>(491)</b>	<b>46,600</b>	<b>172,801</b>
Fund balances at 1 April 2021		775,346	51,673	827,019	654,218
<b>Fund balances at 31 March 2022</b>		<b>822,437</b>	<b>51,182</b>	<b>873,619</b>	<b>827,019</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

**CHILD DYNAMIX****BALANCE SHEET****AS AT 31 MARCH 2022**

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	Notes	2022		2021	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	12		668,870		703,006
Investments	13		10		10
			<hr/>		<hr/>
			668,880		703,016
<b>Current assets</b>					
Debtors	14	23,097		26,426	
Cash at bank and in hand		499,502		568,205	
		<hr/>		<hr/>	
		522,599		594,631	
<b>Creditors: amounts falling due within one year</b>	16	(90,550)		(237,410)	
		<hr/>		<hr/>	
Net current assets			432,049		357,221
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			1,100,929		1,060,237
<b>Creditors: amounts falling due after more than one year</b>					
	17		(227,310)		(233,218)
			<hr/>		<hr/>
<b>Net assets</b>			873,619		827,019
			<hr/> <hr/>		<hr/> <hr/>
<b>Income funds</b>					
Restricted funds	18		51,182		51,673
Unrestricted funds			822,437		775,346
			<hr/>		<hr/>
			873,619		827,019
			<hr/> <hr/>		<hr/> <hr/>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 14 September 2022

B A Bradley  
Trustee

Company Registration No. 05389477

**CHILD DYNAMIX****STATEMENT OF CASH FLOWS****FOR THE YEAR ENDED 31 MARCH 2022**

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		<b>2022</b>		<b>2021</b>	
	<b>Notes</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	<b>23</b>		(63,193)		51,563
<b>Investing activities</b>					
Purchase of tangible fixed assets		(20,998)		(20,999)	
<b>Net cash used in investing activities</b>			(20,998)		(20,999)
<b>Financing activities</b>					
Repayment of bank loans		(5,170)		(4,756)	
<b>Net cash used in financing activities</b>			(5,170)		(4,756)
<b>Net (decrease)/increase in cash and cash equivalents</b>			(89,361)		25,808
Cash and cash equivalents at beginning of year			568,205		214,195
<b>Cash and cash equivalents at end of year</b>			499,502		568,205

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## 1 Accounting policies

### Charity information

Child Dynamix is a private company limited by guarantee incorporated in England and Wales. The registered office is 95 Preston Road, Hull, East Yorkshire, HU9 3QB, United Kingdom.

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity.

### 1.1 Accounting convention

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value.

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

### 1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors 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.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charitable company.

### 1.4 Incoming resources

Income is recognised when the charitable company 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.

**1 Accounting policies**

**(Continued)**

Cash donations are recognised on receipt. Other donations are recognised once the charitable company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charitable company has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

**1.5 Resources expended**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

**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:

Freehold land and buildings	2% on cost
Leasehold land and buildings	over the period of the lease
Fixtures and fittings	50% on cost, 25% on cost and 20% on cost
Motor vehicles	25% on reducing balance

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 net income/(expenditure) for the year.

**1.7 Fixed asset investments**

Fixed asset investments are measured at cost.

A subsidiary is an entity controlled by the charitable company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**1.8 Impairment of fixed assets**

At each reporting end date, the charitable company 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 Accounting policies**

**(Continued)**

**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 charitable company 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 charitable company's balance sheet when the charitable company 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 charitable company'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 charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

## CHILD DYNAMIX

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 1 Accounting policies

(Continued)

##### 1.12 Retirement benefits

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

#### 2 Critical accounting estimates and judgements

In the application of the charitable company'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.

##### Critical judgements

##### Useful life of fixed assets

The charitable company estimates the useful economic lives of fixed assets based in the expected period of use of the asset in operating the charitable company.

##### Carrying value of freehold property

The charitable company owns one property and this is stated at cost with depreciation being charged based on the useful economic life of the asset. The trustees review the carrying value of the property on an annual basis, in light of the condition of the property and the operating performance of the nursery.

#### 3 Donations and legacies

	Unrestricted funds	Total
	2022	2021
	£	£
Donations and gifts	1,394	6,325
	<u>          </u>	<u>          </u>



**CHILD DYNAMIX**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2022**

	Childcare		Youth, Sport and Play		C&YP activities		Core support		Total	
	2022	£	2022	£	2022	£	2022	£	2022	2021
Childcare	1,015,148		-		-		-		1,015,148	819,504
Commissioning services	-		398,205		210,649		-		608,854	597,557
Grants	-		103,496		39,180		-		142,676	250,946
Commercial income	4,584		13,766		-		6,672		25,022	12,664
Other income	1,781		-		-		-		1,781	144,912
	<u>1,021,513</u>		<u>515,467</u>		<u>249,829</u>		<u>6,672</u>		<u>1,793,481</u>	<u>1,825,583</u>
Analysis by fund										
Unrestricted funds	1,021,513		452,970		220,649		6,672		1,701,804	1,613,514
Restricted funds	-		62,497		29,180		-		91,677	212,069
	<u>1,021,513</u>		<u>515,467</u>		<u>249,829</u>		<u>6,672</u>		<u>1,793,481</u>	<u>1,825,583</u>
<b>For the year ended 31 March 2021</b>										
Unrestricted funds	935,999		448,577		211,173		17,765		1,613,514	
Restricted funds	-		29,951		33,300		148,818		212,069	
	<u>935,999</u>		<u>478,528</u>		<u>244,473</u>		<u>166,583</u>		<u>1,825,583</u>	

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

4 Charitable activities	Childcare Youth, Sport and Play				C&YP activities		Core support		Total 2022	Total 2021
	2022	2022	2022	2022	2022	2022	2022	2022		
	£	£	£	£	£	£	£	£	£	
<b>Grants Received included in the above are as follows:</b>										
Whats Your Game	-	34,499	-	-	-	-	-	34,499	-	
Youth in Nature	-	3,780	-	-	-	-	-	3,780	-	
Youth Dynamix	-	19,410	-	-	-	-	-	19,410	-	
The Sylvia Adams Charitable Trust	-	-	13,242	-	-	-	-	13,242	33,300	
Julia & Hans	-	-	-	-	-	-	-	-	44,961	
Power to Change	-	-	-	-	-	-	-	-	25,000	
National Lottery	-	-	-	-	-	-	-	-	74,607	
Ernest Cook	-	-	15,938	-	-	-	-	15,938	4,250	
Other grants	-	45,807	10,000	-	-	-	-	55,807	68,828	
	-	103,496	39,180	-	-	-	-	142,676	250,946	

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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5 Other trading activities

	<b>Unrestricted funds</b>	Total
	<b>2022</b>	2021
	<b>£</b>	£
Fundraising events	-	1,490
	<u>          </u>	<u>          </u>

## CHILD DYNAMIX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

## FOR THE YEAR ENDED 31 MARCH 2022

## 6 Charitable activities

	Childcare	Youth, Sport and Play	C&YP Core support activities		Total 2022	Total 2021
	2022	2022	2022	2022		
	£	£	£	£	£	£
Staff costs	648,093	272,096	148,355	194,421	1,262,965	1,234,991
Depreciation and impairment	1,013	2,580	4,442	26,101	34,136	43,748
Rent of building	60,647	3,000	-	-	63,647	43,061
Rates and water	1,645	2,354	2,733	-	6,732	3,767
Insurance	536	1,486	1,361	7,127	10,510	10,987
Light and heat	9,349	7,699	6,414	-	23,462	22,096
Telephone and internet	3,945	2,574	5,771	300	12,590	13,079
Postage and stationery	5,229	2,666	6,795	1,169	15,859	12,988
Sundries	(348)	1,193	96	8,891	9,832	12,186
Food	9,808	2,865	-	-	12,673	7,049
Equipment	-	214	-	-	214	723
Computer expenses	2,502	720	-	20,389	23,611	39,377
Repairs and renewals	5,356	8,618	15,167	4,038	33,179	38,862
Cleaning and refuse	14,284	12,664	24,033	-	50,981	47,344
Training	35,672	-	-	-	35,672	-
Courses and conferences	2,865	1,569	2,897	-	7,331	2,842
Other charitable expenditure	16,828	66,873	9,718	4,385	97,804	93,291
	817,424	389,171	227,782	266,821	1,701,198	1,626,391
Share of support costs (see note 7)	660	13,044	-	14,998	28,702	17,331
	818,084	402,215	227,782	281,819	1,729,900	1,643,722
<b>Analysis by fund</b>						
Unrestricted funds	818,084	343,033	194,796	281,819	1,637,732	1,417,612
Restricted funds	-	59,182	32,986	-	92,168	226,110
	818,084	402,215	227,782	281,819	1,729,900	1,643,722
<b>For the year ended 31 March 2021</b>						
Unrestricted funds	711,503	351,584	182,331	172,194		1,417,612
Restricted funds	-	42,674	35,049	148,387		226,110
	711,503	394,258	217,380	320,581		1,643,722

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

**7 Support costs**

	Support costs	Governance costs	2022	2021
	£	£	£	£
Auditors remuneration	-	6,336	6,336	4,724
Legal and professional fees	8,662	-	8,662	1,181
Management and administration	660	-	660	11,426
	<u>9,322</u>	<u>6,336</u>	<u>15,658</u>	<u>17,331</u>
Analysed between				
Charitable activities	<u>9,322</u>	<u>6,336</u>	<u>28,702</u>	<u>17,331</u>

**8 Net movement in funds**

	2022	2021
	£	£
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	6,336	4,724
Depreciation of owned tangible fixed assets	34,136	43,748
Fees payable to the company's auditor for payroll services	2,160	2,160
Operating lease charges	45,575	46,637
	<u>88,207</u>	<u>97,269</u>

**9 Trustees**

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charitable company during the year.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st March 2022 nor for the year ended 31st March 2021.

**CHILD DYNAMIX****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022**

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**10 Employees****Number of employees**

The average monthly number of employees during the year was:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Administration	10	10
Managers	9	9
Other	51	58
	<hr/>	<hr/>
	70	77
	<hr/> <hr/>	<hr/> <hr/>

**Employment costs**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	1,146,196	1,128,495
Social security costs	77,438	73,925
Other pension costs	39,331	32,571
	<hr/>	<hr/>
	1,262,965	1,234,991
	<hr/> <hr/>	<hr/> <hr/>

There were no employees whose annual remuneration was £60,000 or more.

**Key management personnel salaries**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	158,593	155,763
Social security costs	17,007	16,653
Other pension costs	5,161	4,163
	<hr/>	<hr/>
	180,761	176,579
	<hr/> <hr/>	<hr/> <hr/>

## CHILD DYNAMIX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

**11 Financing costs**

	<b>Unrestricted funds</b>	<b>Total</b>
	<b>2022</b>	2021
		£
Mortgage interest	18,375	16,875
	<u>18,375</u>	<u>16,875</u>

**12 Tangible fixed assets**

	<b>Freehold land and buildings</b>	<b>Leasehold land and buildings</b>	<b>Fixtures and fittings</b>	<b>Motor vehicles</b>	<b>Total</b>
	£	£	£	£	£
<b>Cost</b>					
At 1 April 2021	351,480	394,114	302,029	38,426	1,086,049
At 31 March 2022	<u>351,480</u>	<u>394,114</u>	<u>302,029</u>	<u>38,426</u>	<u>1,086,049</u>
<b>Depreciation and impairment</b>					
At 1 April 2021	28,127	49,154	269,569	36,193	383,043
Depreciation charged in the year	7,032	17,144	9,401	559	34,136
At 31 March 2022	<u>35,159</u>	<u>66,298</u>	<u>278,970</u>	<u>36,752</u>	<u>417,179</u>
<b>Carrying amount</b>					
At 31 March 2022	<u>316,321</u>	<u>327,816</u>	<u>23,059</u>	<u>1,674</u>	<u>668,870</u>
At 31 March 2021	<u>323,352</u>	<u>344,960</u>	<u>32,461</u>	<u>2,233</u>	<u>703,006</u>

CHILD DYNAMIX

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

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13 Fixed asset investments

	<b>Other investments</b>
<b>Cost or valuation</b>	
At 1 April 2021 & 31 March 2022	10
	<hr/>
<b>Carrying amount</b>	
At 31 March 2022	10
	<hr/> <hr/>
At 31 March 2021	10
	<hr/> <hr/>

	<b>Notes</b>	<b>2022</b>	<b>2021</b>
Other investments comprise:		<b>£</b>	<b>£</b>
Investments in subsidiaries	<b>22</b>	10	10
		<hr/> <hr/>	<hr/> <hr/>

14 Debtors

	<b>2022</b>	<b>2021</b>
Amounts falling due within one year:	<b>£</b>	<b>£</b>
Trade debtors	21,095	23,283
Prepayments and accrued income	2,002	3,143
	<hr/>	<hr/>
	23,097	26,426
	<hr/> <hr/>	<hr/> <hr/>



**CHILD DYNAMIX****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 MARCH 2022****15 Loans and overdrafts**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Bank loans	233,218	238,728
Payable within one year	5,908	5,510
Payable after one year	227,310	233,218
Amounts included above which fall due after five years:		
Payable by instalments	199,090	206,900

The loan is secured against the property and is repayable over 25 years at an interest rate of 7%.

**16 Creditors: amounts falling due within one year**

	<b>Notes</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
Bank loans	<b>15</b>	5,908	5,510
Other creditors		5,114	4,602
Accruals and deferred income		79,528	227,298
		90,550	237,410

**17 Creditors: amounts falling due after more than one year**

	<b>Notes</b>	<b>2022</b>	<b>2021</b>
		<b>£</b>	<b>£</b>
Bank loans	<b>15</b>	227,310	233,218

## CHILD DYNAMIX

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 18 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Balance at 31 March 2022 £
	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	
Sleep Easy	2,748	-	-	2,748
Children in Need	2,978	-	-	2,978
Henry Smith Fund	44	22,637	(22,681)	-
Hut +	35,199	-	(2,152)	33,047
The Sylvia Adams Charitable Trust	6,445	13,242	(19,687)	-
Whats Your Game	264	34,499	(28,411)	6,352
Postcode Community Trust	3,563	-	(2,867)	696
National Lottery Grant	-	5,361	-	5,361
Ernest Cook	432	15,938	(16,370)	-
	<u>51,673</u>	<u>91,677</u>	<u>(92,168)</u>	<u>51,182</u>

Sleep Easy - This is a YMCA led annual fundraising event. It takes place during the last weekend in January each year when volunteers sleep rough for one night in makeshift dens and raise funds through sponsorship. Child Dynamix has partnered with YMCA Grimsby for the past 5 years and has received funding that supports young people facing homelessness.

Children in Need - This was a Play Project working with children over 5. A team of 3 play workers delivered sessions in communities around East Hull. The project promoted the importance of free play and the positive impact it has on Children's health and wellbeing. This project ended November 19 and it was agreed with CIN in March 2020 to deliver additional sessions with the underspend in 2020/21. Due to the pandemic, these sessions have not taken place yet.

Henry Smith Fund - This is funding enabling us to continue our 'Bump to Baby and Beyond' project that supports families at the very earliest opportunity engaging with parents in the third trimester of pregnancy. The project offers intensive support to ensure parents are well prepared for their parenting journey.

Hut+ - This is funding obtained to extend and refurbish our youth centre on the Preston Road Estate.

Sylvia Adams - This is our 'Bump to Baby and Beyond' project that supports families at the very earliest opportunity through engaging with parents in the third trimester of pregnancy. The project offers intensive support to ensure parents are well prepared for their parenting journey.

Whats Your Game - We deliver this project as a partner to Sanctuary Housing who secured the funding through Sport England Families Fund. The Community Facilitator works within the Sanctuary Housing area engaging and supporting families and the general community to become more physically active.

Postcode Community Trust - This funding provides community based physical activity classes. Classes include Clubbercise, Parent and Tots Dance and Early Years Gymnastics.

## CHILD DYNAMIX

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 18 Restricted funds

(Continued)

The National Lottery Coronavirus Community Support - This fund allowed us to purchase equipment for long term working from home arrangements, develop our website and online presence, production of online parenting courses, cycles, part fund salaries in response to increase in demand and core posts at risk. It also allowed us to invest in a web based HR software system and IT equipment. This fund enabled us to adapt our ways of working to continue to meet the needs of our service users at the time and in the future.

Ernest Cook - Ernest Cook has funded our Green Influencers Project for two years, commencing December 2020. The Green Influencers scheme encourages young people aged 10 – 14 years old across Hull to create meaningful connections with their natural environment and implement long-lasting change in their communities. This project is running across the city in local schools and youth centres, the project creates the opportunity to work with and learn from Green Influencers locally and across the country.

#### 19 Analysis of net assets between funds

	Unrestricted 2022 £	Restricted 2022 £	Total 2022 £	Total 2021 £
Fund balances at 31 March 2022 are represented by:				
Tangible assets	602,358	66,512	668,870	703,006
Investments	10	-	10	10
Bank balances	478,778	20,724	499,502	204,797
Other current assets/(liabilities)	(31,399)	(36,054)	(67,453)	(32,447)
Long term liabilities	(227,310)	-	(227,310)	(243,900)
	<u>822,437</u>	<u>51,182</u>	<u>873,619</u>	<u>631,466</u>

## CHILD DYNAMIX

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

#### 20 Operating lease commitments

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

	2022	2021
	£	£
Within one year	36,575	36,575
Between two and five years	18,575	48,575
In over five years	30,000	45,575
	<u>85,150</u>	<u>130,725</u>

#### 21 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

#### 22 Subsidiaries

Details of the charitable company's subsidiaries at 31 March 2022 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
Child Dynamix Trading Limited	95 Preston Road, Hull, East Yorkshire, HU9 3QB	Sale of donated goods	Ordinary	100.00	

The aggregate capital and reserves and the result for the year of subsidiaries excluded from consolidation was as follows:

Name of undertaking	Profit/(Loss)	Capital and Reserves
	£	£
Child Dynamix Trading Limited	-	(25,944)

The intention is that the subsidiary gift aids its profits to the charity. To date, the subsidiary has suffered losses and has not made any gift aid payments to the charity.

The results of the subsidiary are not consolidated within these financial statements as the subsidiary is dormant and the results are considered to be immaterial.

## CHILD DYNAMIX

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2022

23 Cash generated from operations	2022 £	2021 £
Surplus for the year	46,600	172,801
Adjustments for:		
Depreciation and impairment of tangible fixed assets	34,136	43,748
Movements in working capital:		
Decrease/(increase) in debtors	3,329	(4,150)
(Decrease) in creditors	(147,258)	(52,130)
<b>Cash (absorbed by)/generated from operations</b>	<b>(63,193)</b>	<b>160,269</b>

24 Analysis of changes in net funds	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	568,205	(68,703)	499,502
Loans falling due within one year	(5,510)	(398)	(5,908)
Loans falling due after more than one year	(233,218)	5,908	(227,310)
	<u>329,477</u>	<u>(63,193)</u>	<u>266,284</u>