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FAMILY FUND TRUST

Annual Report and Financial Statements

For year ended 31 March 2022

FAMILY FUND TRUST

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FAMILY FUND TRUST

CHAIR'S REVIEW OF FAMILY FUND

REPORT AND FINANCIAL STATEMENTS 2022

In reviewing the past year, I can only say that it has been another immensely challenging one, but also one of great opportunity. We began the financial year with the Government's roadmap out of lockdown, and the UK's continued recovery from the pandemic. For many people life started to go back to a new form of normality. However, for the families that we support, raising a disabled, or seriously ill child or young person, life felt just as vulnerable, and segregated from society as in lockdown, despite restrictions being lifted. The families that we support have shared with us how they have struggled with what has been severely reduced access to vital services and a continued need to isolate and take precautions to protect family members vulnerable to Covid 19 risks.

The additional costs that families have to face, from the steep disability price tag to falling income due to heavy caring responsibilities and post-pandemic debt, are now compounded by the stark challenge of the cost-of-living crisis. Price rises across the board, particularly in relation to food and fuel, have pushed families to their very limits and this is only set to worsen in the year ahead.

It is why it is more important than ever that Family Fund is here - to provide essential grants, services and support to the increasing numbers of families who now need us, and to advocate on their behalf, sharing their voice with leaders and decision makers across the UK.

I am extremely proud that, for the second year in a row, our now hybrid, hard-working staff over-delivered against our plans for grant support for families in the greatest of need. Across Family Fund and Family Fund Business Services as a group, we aimed to deliver at least 92,100 grants to families and achieved 112,234 grants in total.

For a further year we were incredibly fortunate to secure additional in-year funding in quarter four, or a commitment to increased funding, from our Government funders in the nations and wider partners. Ultimately made possible through our important organisational relationships and research with families which allowed us to evidence the significant need of so many families. This funding has enabled us to help more UK families, at an unprecedented time, and reach out to families who had never received support from Family Fund before.

This past year we also cemented other important relationships. We worked closely with Motability Charity and Operations to transform our Family Fund Mobility Support scheme from a pilot into a three-year scheme providing lease cars to families with children under the age of three with complex mobility needs. As a Group we partnered with Children in Need for a further year, to deliver their £3 million scheme, The BBC Children in Need Emergency Essentials Programme, hand in hand with our supplier partners. This scheme supports children and young people facing exceptionally difficult circumstances, with essential items or services critical to a child's wellbeing and basic needs such as a bed to sleep in or a cooker to provide a hot meal. We have also worked with the Department for Education in England to secure a two-year grant agreement for vital grants and support. All this work is testament to teams' first-class delivery - processing thousands of applications a week.

This was another year of adaption and progression - developing new digital ways to signpost families, accept applications and support that process online, whilst also helping people struggling to access us online by further developing their digital skills in face-to-face group sessions or with tailored online information and support. Our commitment to those who are digitally excluded remains a top priority, providing a bespoke offline service.

Across the year we have provided 58,685 services to families online, over the phone and in group and one to one settings. Much of this focus has been on enhancing their digital skills but we have also supported families with their financial health, exploring which benefits they are entitled to and supporting them to identify grant support from other charities. In total, and for the second year in a row, Family Fund Group has exceeded its strategic aim of helping 150,000 and supported families with 170,919 grants and services, with 154,725 from the charity and 16,194 from delivery of the BBC Children in Need scheme delivered in partnership with FFBS.

Despite challenges related to manufacturing delays caused by the Covid 19 backlog, which brought supply issues in some areas, the charity and our wholly owned trading subsidiary Family Fund Business Services (FFBS) has continued to play a vital role in helping its' customers deliver grants and financial support to thousands of households across the UK whilst providing a vital income source for Family Fund.

In a significant year, against a continued backdrop of investment in the business, Family Fund Business Services made a profit of £2.8 million, to be donated to Family Fund, the biggest donation to date and the first time FFBS has donated over £2 million.

In additional fundraising income, we generated £1,314,065 against a target of £840k despite an extremely challenging climate for giving.

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CHAIR'S REVIEW OF FAMILY FUND (continued)

I am extremely proud of our colleagues, working across the organisation in wide-ranging roles, for their resilience and passion in delivering the sheer volume of life-line grants and services to families, despite the disruptions we have all faced. Teams have adapted quickly to working from home, as well as in the new secure office environment setting for those delivering services on the front line, and continue to provide the highest level of tailored support to the families who contact us- whether that is on the phone, by email, letter or on social media.

We have provided a year of vital support but, as ever, there is much more to do to ease the intense pressures that families raising a disabled or seriously ill child face, particularly as we look to a challenging year ahead.

"It was brilliant for us just to have a break after everything we had been through, to recharge and feel like a normal family. It was fantastic. Family Fund does such great work and is a huge support to families like us. If they can help, they will. I don't think people should feel a stigma attached to it. No one wants to be in a position where they must apply for these things, but if the help is there, take it." - Louise, Dunbar

"As soon as Shehezana was born, the nurses and doctors noticed she had a condition called anophthalmia. This meant that she was born with the absence of eyes. Family Fund have helped us with hospital visiting costs multiple times. The help to get to London as a family has been great; the travel costs are expensive, as is food while you are there. Those grants have been tremendous." Haybe, Leicester



Neil Scott
Chair

30 September 2022

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TRUSTEES' REPORT

The trustees, who are also directors of the charitable company, present their annual report (including the Chair's review of Family Fund and the Strategic report) on the affairs of the charity and the group, together with the audited financial statements and auditors' report for the year ended 31 March 2022.

In accordance with section 414C(11) of the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013, the company has prepared a Strategic Report which includes information that would previously have been included in the Trustees' Report.

Structure, governance and management

Group status

Family Fund Trust ("Family Fund") is registered as a charity and is a company limited by guarantee, and does not have a share capital. Every member undertakes to contribute towards the assets of the company in the event of winding up. Their individual liability cannot exceed £10.

Family Fund Trading Limited, trading as Family Fund Business Services, is a wholly owned subsidiary of Family Fund and commenced trading in April 2008. The principal activity of the company is to work commercially for its parent, undertaking new activities to provide financial support to Family Fund so that it can sustain its work, develop its services and continue to make a difference to families who care for a disabled child or young person. The company shall transfer all trading profit, subject to prudent retention, to its parent.

Governing document

Family Fund's governing instrument is the Articles of Association adopted in February 1996 and as subsequently updated; most recently in August 2019 with a change to the charity's name and Objects.

Governance and management

Details of the membership of the Board of Trustees during the year and up to the date of this report are shown on page 54.

Family Fund's Board determines the direction of the charity, with responsibility for sound stewardship of the grants provided by the governments of England, Scotland, Wales and Northern Ireland, alongside charitable trusts, private funders, donors and donations.

The Board meets on at least a quarterly basis, with a Board Development day scheduled annually. During the second year of the Coronavirus pandemic, the board continued to meet quarterly by way of virtual meetings, a method which was adopted within the charity's Articles in 2019 and as matter of good order. There are three permanent committees, Finance, Audit and Risk Committee, Safeguarding Committee, and the Reward and Nominations Committee, which also sit on a quarterly basis prior to the meeting of the full Board, which they report into.

The Reward and Nominations Committee has oversight of the Group People Strategy and all matters relating to staff employment and wellbeing. It also acts as the Nominations Committee to oversee the recruitment of new trustees, and membership of Committees. This Committee, at the request of the Board, this year evaluated current skills to determine and identify areas where wider skills are required to support the good governance of the Board. Trustee vacancies are always promoted widely, or via other organisations and professional bodies so as to attract a broad range of highly skilled individuals and to ensure diversity. Shortlisting of candidates and interviewing are completed by the Nominations Committee, which subsequently makes an appointment recommendation to the Board. This year, Family Fund welcomed four new trustees – Shona Elliott, Marguerite Haye, Emma Pinnock and Modaser Choudhary – who replaced four trustees who came to the end of their respective terms during the year. The board formally records its thanks to David Lewis, Grant Macrae, Geoff Linnell and Tara Palmer for their commitment to the charity over two terms, and wishes them well for the future.

All new trustees are provided with an induction, which includes relevant reading materials related to the governance of Family Fund, including its Articles of Association and policies. Trustees are also provided with an operational induction with the Executive team, which this year was conducted virtually for new trustees. Each new Trustee completes a post-induction review with the Chair, alongside term reviews, that seek to encompass feedback from the wider Board and Executive team.

The Board retains individual and collective policies and procedures to evaluate and develop the performance of the Trustees. Board members complete a number of self-assessment reviews with the Chair during their term(s) of office. Similar procedures are followed in respect of the Chair, Vice-Chair and the Chairs of all of the Committees.

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TRUSTEES' REPORT (continued)

Governance and management (continued)

Trustees' liability insurance was in force during the financial year and at the date of approval of the financial statements.

The day-to-day running of Family Fund and Family Fund Business Services is delegated to the key management personnel - the Group Chief Executive and their fellow principal officers - who have the power to act and take decisions under the guidance of the Board. The Group Chief Executive and principals provide written reports detailing progress and future planned activity to the Board at its quarterly meetings and to all of the Committees in the run up to the Board.

The principal officers serving during the year and reporting directly to the Group Chief Executive are detailed on page 55.

Staff Pay policy

The Board of Trustees recognises the importance of transparency and accountability in all aspects of work across the Family Fund Group and we are committed to open and clear information. This includes transparency about our Executive team's salaries in both the charity and trading subsidiary, and how they are set.

Family Fund is driven by its vision and is committed to maximising our impact across all elements of our work. To do this means we need to work hard to balance two different needs: the need to ensure value for money in everything we do, including how we pay our staff; and the need to attract and retain people with the right leadership, experience, knowledge and skills required to lead the charity through the changing landscape of disability policy and economic change so that we can evidence impact, outcomes and effectiveness.

We aim to ensure that our employees' salaries reflect the level of responsibility and leadership expected of them, and that they are in line with the salaries paid by other voluntary organisations. We benchmark all of our salaries across the Group each year against voluntary sector organisations of similar sizes, complexity and profile, using established salary surveys. This determines the minima and maxima for each of the salary bands, including the Executive grades. We also keep an overview of local markets to ensure that pay differentials do not affect our ability to attract the right calibre of person.

This practice is in line with the National Council for Voluntary Organisations' executive pay guidance that 'the overall goal of a charity's pay policy should be to offer fair pay to attract and keep appropriately qualified staff to lead, manage, support and/or deliver the charity's aims.'

By paying salaries that match similar roles at comparable organisations, we can attract and keep the highly skilled and committed staff the Family Fund Group needs. This means we can keep meeting our ambitious plans, remain effective and efficient, increase our funding and with it grant support and services to families.

Following recommendation from the Reward and Nominations Committee, the Board of Trustees will consider and, if in agreement, approve the annual pay award budget for the Group. An employee's ability to progress through the salary band is based on individual performance, using predetermined ratings. Percentage increases are attributed to each of the ratings, provided to the Reward and Nominations Committee and applied consistently across the Group, including at Executive level.

The performance rating of the Group Chief Executive is presented by the Chair to the Reward and Nominations Committee for approval, with senior management team ratings being set by the Group Chief Executive and reported to the Reward and Nominations Committee alongside the summarised reporting of all staff ratings.

Secure and accurate processes meeting legal requirements

The Board is committed to the continued review and maintenance by Family Fund Group of good quality procedures and processes. These include:

- Risk Management Framework, Register and Risk Appetite Statements maintained and updated at quarterly intervals. A summary of changes is presented to the Board at each meeting, with a full review by the Board twice a year;
- Systems, policies and procedures in place, with monitoring and review mechanisms, to ensure compliance with data protection and other legislation;
- Audit mechanisms and processes for minimising errors or risk of fraud by staff and contractors in place;

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TRUSTEES' REPORT (continued)

Secure and accurate processes meeting legal requirements (continued)

- Audit mechanisms for minimising attempts to utilise grants for unintended purposes or to defraud by grant recipients;
- Disaster Recovery and Business Continuity Plans are in place and subject to annual review by the Board;
- All major contract areas are covered by service-level agreements with performance standards; and
- Internal quality review procedures for all business areas.

We are confident that these procedures will ensure that the governance and risk management of the organisation continues to be of a high standard.

Objectives

Family Fund helps meet the needs of families living on the lowest of incomes raising disabled and seriously ill children. We remove many of the barriers they face and help to promote quality of life. Everything we do contributes to that. Our vision is that families raising disabled or seriously ill children have the same choices, quality of life, opportunities and aspirations as other families.

Family Fund is established for the public benefit and for general charitable purposes according to the laws of England and Wales. The purpose of the charity, as set out in the governing document, is (1) primarily to assist families, parents and others with parental responsibility in the United Kingdom caring for a severely disabled child or person, and (2) the relief of those in need by reason of disability, ill health, financial hardship or other disadvantage by:

- i. providing support by way of financial grants, goods, services and information;
- ii. furthering knowledge about disability and its impact on the disabled child or person, their siblings, parents or carers; and
- iii. working with other charitable organisations to delivery financial grants, goods, services and information to those in need by reason of disability, ill health, financial hardship or other disadvantage.

The Trustees have complied with the duty (set out in section 4 of the Charities Act 2006) to have due regard to public benefit guidance published by the Charity Commission.

Families make no payment for our services and no relevant individuals are excluded from our application procedures. Further details of the specific achievements of the Group are included in the Chair's review. In addition, a summary of the grants awarded to families are included in note 5 to the financial statements.

Family Fund continues to pursue its aspirations, which relate to its vision of help for families raising disabled or seriously ill children. These include:

- sourcing sufficient funds to support a wider number of families and increase the age limit for support;
- provision of timely and practical advice by way of improving information for families and signposting families to other organisations;
- contacting families in person or virtually who apply to us and providing additional and timely support at application stage;
- expanding our work in delivering additional support and services and realising funding for young people aged 18-24 years and small grants for the siblings of disabled children;
- maintaining our efficiency through improvements in our service, systems and contract arrangements with suppliers; and
- increasing the level of funding from other grant programmes administered on behalf of government and private funders.

Grant-making policy

The Trustees have determined that the current priorities for grant-making will be:

- Families living on the lowest of incomes across the UK caring for a child or young person with a disability or serious illness up to the age of 25;
- Carers of disabled children and young people up to the age of 21, and their families, requiring a short break;

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TRUSTEES' REPORT (continued)

Grant-making policy (continued)

- Carers of disabled children and young people up to the age of three, requiring a lease for a vehicle that will support their mobility needs;
- Siblings within families living on the lowest of incomes caring for a child or young person with a disability or serious illness up to the age of 25 years; and
- As many families as possible will receive grants within the funding that is available.

The priorities within this policy will be reviewed annually or more often if deemed appropriate by the Trustees, and may be changed in accordance with the Trustees' view of the most effective application of available funds, whilst giving consideration to any grant agreements in place.

Family Fund aims to ensure that our grant-making:

- Is informed by family voice;
- Meets a family's individual needs;
- Provides a choice;
- Covers the cost of the item, where possible;
- Promotes positive outcomes
- Results in lasting change;
- Is flexible and practical; and
- Is efficient, effective and responsive.

Environmental statement

During 2021/22, our total energy usage across our offices at Unit 3 and Unit 4 Alpha Court was 155,551 kwh (2021: 169,175 kwh). Below is a breakdown of the resulting greenhouse gas emissions, based on figures provided by our energy supplier.

	2022	2021
Energy usage	CO2e emissions (metric tonnes)	CO2e emissions (metric tonnes)
Gas consumption	11.55	13.68
Purchased electricity	19.64	22.09
Transport	N/A*	N/A*
Total gross emissions	31.19	35.77

*The Group does not have any company owned vehicles

The chosen intensity measurement ratio is total gross emissions in metric tonnes of carbon dioxide equivalent (CO2e) per full-time employee (FTE), which is 0.19 tonnes (2021: 0.23 tonnes).

To prepare these figures, we have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard, and have used the 2021 UK Government's Conversion Factors for Company Reporting.

We remain committed to the aims of our environmental policy, namely:

- Comply with and exceed all relevant regulatory requirements.
- Continually improve and monitor environmental performance.
- Continually improve and reduce environmental impacts.
- Incorporate environmental factors into business decisions.
- Increase employee awareness and training.

The Group focuses on a number of key areas of activity to deliver our goals of becoming a low-waste, low-energy organisation. These include:

- Sustainable procurement: more recycled products, greater emphasis on repair, 'buying local' where possible, environmentally friendly cleaning materials.

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TRUSTEES' REPORT (continued)

Environmental statement (continued)

- Sustainable transport: Promote more remote / video meetings than travel (even pre-pandemic), promote public transport through securing staff discounts on buses.
- Energy and water usage reduction: Efficient heating and air conditioning use, turning off equipment and lights not in use.
- Waste reduction and safe disposal: Reuse and recycle all paper, remove single plastic cup use, encourage plastic and can recycling, send general waste to waste-to-energy power plant.

During 2022/23, the Group will be developing an environmental strategy, which includes engaging a third party consultant to assist us in measuring our current carbon footprint and implementing a carbon reduction plan.

Statement of trustees' responsibilities

The trustees (who are also directors of Family Fund Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and regulation.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice). Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 Statement of Recommended Practice: Accounting and Reporting by Charities (2019);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006, Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for the maintenance and integrity of the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

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STRATEGIC REPORT

Background

As with many organisations, it has been difficult to predict the length of disruption to normal life brought by the pandemic. As Covid restrictions in society have lifted, we have continued to review and modify our working arrangements. Hybrid working is now in full flow, with some staff office-based, some home-based and the majority working in a flexible way to meet the needs of the group, while also delivering the flexibility they need in their own lives. The office environment continues to evolve, and improve, as we learn how we are using the space and what works best for colleagues.

The pandemic legacy for Family Fund's work is all too clear- significantly higher levels of demand from the families that we provide essential grants to, and even more families pushed to their very financial limits.

Our grant support is well established, and hugely valued by the 96,040 families who received it. However, in recent years, more families have presented with difficulties that cannot be supported by grants alone, and to this end we have developed a service offer to provide families with wider practical support. This has been implemented through analysing what our families ask for, and using this information to define our service delivery strategy across three themes:

Digital Inclusion - to ensure parents can effectively use devices to meet their child's development needs and their own learning.

Maximising financial entitlement - to help families with their financial health and equip parents with the skills and knowledge to use online resources to help improve their financial health

Navigating the Information and Support landscape - this includes sourcing available support, signposting and referral to other providers

This year we focused on improving the information and support offer on our website, to complement our signposting provision over the phone and enable families, who can, to find the information and support they need for themselves. Our web pages now house a mix of e-learning, 'how to' and information videos, tools, links and resources to help families maximise and manage their money, improve their digital skills, find local support and look after their families' mental health and wellbeing.

The results were 38,777 services provided online including: included 17,741 people accessing our online learning courses and support to manage their finances; 5,677 people viewing our 'How to' videos; 4,444 accessing other digital skills resources; 2,977 people access information about support local to them and 7,938 people accessing wider support information about areas such as education and mental health

Over this past year, our first contact team answered 115,279 queries over the phone and 118,549 through our non-voice channels, an average of 4,500 contacts every week. We provided signposting to 6,534 of these contacts and specific support to 1,060 callers who were unaware of their full Child Tax Credit entitlement.

More families were able to access our help to use their iPad grant with families accessing digital skills support 690 times, a total of 448 families helped. We ran small group workshops, via Zoom, on subjects such as accessibility and online safety as well as fun, creative sessions with families such as making movies or music and other 'fun' apps. We also delivered our digital summer school to some very talented and enthusiastic children and young people.

"My daughter is 12 and is not able to engage well in social groups or play with things. These new techniques and confidence can help us as a family and maybe engage [her] with peers her age. Aids her hand and eye coordination, improving her creativity and she is doing more than just watching videos!"

"It has made day to day living a lot easier."

Strategic overview

In 2017, Family Fund launched "#help150,000", a five-year strategy with the aim of providing 150,000 grants and services a year to families with a disabled, or seriously ill, child or young person, by 2021/22.

In addition to enhancing the number of grants and services provided to families, the strategy also set out the charity's strategic aims, around several key themes. These included the following:

- securing our future by diversifying our funding sources
- increasing fund-raised income and growing the gifted profits from our trading subsidiary

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STRATEGIC REPORT (continued)

Strategic overview (continued)

- transforming our support by improving the accessibility and efficiency of our service to families, including the digitization of our application and grant-making processes
- making family voices heard through a compelling programme of research that could be used to provide funders, policy-makers and partners with deep insight into the lived-experiences of families with a disabled, or seriously ill, child.

The year 2021/22 was year five of the #help150,000 strategy and saw the charity not only achieve its headline aim, of providing 150,000 grants and services to families, but also make significant headway across all three of its strategic aims. These specific achievements are outlined in the following sections.

Delivery for families

With families still feeling the effects of the coronavirus pandemic and, more recently, a rapid increase in costs of living, 2021/22 was another year of heightened demand for support from families. We worked hard to ensure we could continue to provide grant items, over the course of the whole year, without having to unduly pause our support for disabled children and their families, due to insufficient funding.

In England, the Department for Education maintained their commitment of £27.3 million, enabling us to provide vital grant support to 71,079 families with that funding, a reduction of 22% from the previous year, due to funding levels returning to pre 2020 levels.

In each of the other UK nations, as was the case in 2020/21, additional grant funding was secured during the course of the year to allow more families to receive support.

On top of the Scottish Government's initial grant allocation of £2.97million for Family Fund's grant scheme, further funding of £200,000 was made available via the Children and Young People Summer Programme, to improve children and young people's mental health and wellbeing. In addition, £300,000 was provided, via the Winter Support Fund, to help families on low incomes who were struggling financially. In total, this enabled us to provide grant support to 8,026 families, only 0.5% fewer than in 2020/21. The Scottish Government also provided funding for the Take a Break scheme, which supports parents and carers to 'take a break' from the everyday demands of caring for a child or young person with a disability, or serious illness. Take a Break received £545,000 in extra funding, in addition to the £700,000 initially agreed. This significant expansion of funding allowed us to make a total of 5,881 grant awards, more than double the 2,660 awards made in 2020/21.

The year also saw the Welsh Government increase their initial grant allocation of £360,000, for our Take a Break Wales programme, with an award of a further £230,000. This enabled us to support 1,627 families, an increase of 315 (24%), compared to the previous year.

In Northern Ireland, the Department of Health also increased their funding for grant support, in response to the high levels of demand from families. An additional £500,000 was provided, on top of their initial grant award of £1.57million, enabling us to support 5,383 families with grant items, only 43 (0.8%) fewer families than in the previous year.

We are extremely grateful to all our government funders for their continued support, at a time when families raising disabled children remain under huge financial stress. In particular, their willingness to work closely with us, in monitoring the situation, and their responsiveness to funding pressures was hugely helpful and made a significant difference. As ever, we were able to make their funding go further thanks to careful financial management. Through making the most of our partnerships with key suppliers, we were able to secure £2.7 million in additional funding from discounts received from suppliers, distributed across the UK to support more families. This resulted in 95.4p (2021: 95.0p) in every £1 of expenditure, being spent on direct charitable purposes.

Alongside our government funded grant support, we run several other grant programmes, funded by trusts, foundations and individual donations, all broadening our support for families. The Marian Elizabeth Trust, which supports families raising children or young people with significant learning difficulties, helped 482 families during the year. 'Your Opportunity' our grant programme, funded by Edward Gostling Foundation, Pears Foundation and Family Fund, provided lifeline support to young people aged 18-24, and helped 859 young people- 20% more than in 2020/21.

Continuing to build on the success of our pilot scheme, we received further funding for Family Fund Mobility Support, a programme funded by Motability. This provides a car lease, through Motability Operations, to families

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STRATEGIC REPORT (continued)

Delivery for families (continued)

raising a child with additional mobility needs, under the age of three with severe mobility issues, who is ineligible for the mobility component of DLA. The pandemic, and the resultant closure of car showrooms and manufacturers, disrupted the level of support that we were able to provide during the year as the UK went in, and out, of lockdown. However, this new funding allowed us to provide 226 families with a lease car and greatly extended their ability to travel and more easily perform day-to-day activities, supporting the health needs of their children. It also provided a vital degree of independence, during a year in which they might otherwise have been even more isolated.

As part of our corporate partnership with McCain Foods (GB), we launched a new programme providing grant items to a total of 1,007 families, to help families spend more time together, such as during mealtimes.

Our own discretionary grant programme that recognises the contribution of siblings to the lives of disabled children and young people, Siblings Matter Too, provided grants to 1,388 brothers and sisters this year. This was a large increase from the 290 helped in 2020/21, when staff needed to prioritise the significant extra applications received through our main schemes.

Although not exclusively for families raising disabled or seriously ill children, we also continued to administer the BBC Children in Need Emergency Essentials Programme together with our trading subsidiary Family Fund Business Services (FFBS), which provides essential items for children and young people in crisis. In 2020/21 the programme was able to provide support to 16,194 families.

In response to the huge challenges still being faced by families, and with the valued support of our funders, the Family Fund team has been able to provide 96,040 grants to families raising disabled or seriously ill children. Including the BBC Children in Need Emergency Essentials Programme as well, 112,234 grants were provided by the group in total.

One of our biggest challenges remains meeting the rising demand in need from families and applications for support across all of the UK but, particularly in England. We finish this year having to carry over more than 9,000 applications into 2022/23, which pushes our funding allocations into an even tighter space for the year ahead and places even greater pressure on us all to seek and generate funding as we know first-hand the difference support makes for disabled children and their families. Headline findings from the 2021/22 evaluation of our main grant programmes showed that:

- 98% of disabled or seriously ill children benefitted from the grant item provided, 68% of their non-disabled siblings and 70% of adults also benefitting;
- 74% of families reported being better able to manage their children's care and support needs;
- 79% of families reported being able to do more of the things that matter to them;
- 69% of families reported being able to manage better financially;
- 64% of families reported being better able to access the information and support they need;
- 90% of disabled children benefitted from improved health and wellbeing as a result of the grant item provided, with 72% of non-disabled siblings' health and wellbeing also benefitting.

Family Fund also supports families with a range of services delivered over the phone, through video call facilities and through information and signposting on our website. Across the year these totalled 58,685 instances of service provision.

In the past some of these services have also been delivered face to face and it is hoped that this can continue in a post-pandemic world whilst considering the needs of families and what, ultimately, they need.

Our digital skills training grew to support 448 families this year. Primarily this programme supports carers to build their digital confidence supporting their use of digital devices. This can involve ensuring their children are safe online, using inbuilt accessibility features and using the devices, and the internet, to support with everyday life such as banking and financial health. The year also saw Family Fund deliver a 'summer school' supporting children to use tablets to support their creative play.

Our online information also focuses on digital skills, alongside supporting families with their financial health. This includes facilities and support around checking the benefits they are entitled to, and other grant support provided by other charities, that families may be able to access.

FAMILY FUND TRUST

STRATEGIC REPORT (continued)

Delivery for families (continued)

We have also received funding from HMRC, via the Good Things Foundation, to inform families of how they can maximise certain elements of Tax Credits, when in receipt of Disability Living Allowance.

Securing our future

Family Fund's small fundraising team saw a successful year, despite a challenging giving climate, and changes in the team, and exceeded the annual target of £840,000, reaching a fundraising total of £1.3 million.

During lockdown, when holding participatory events was made impossible, some events were translated virtually, such as our 100ks of summer where participants could clock up the kilometres inside, outside, on their own or as part of a team or family. The Great North Run and other third-party events went ahead but participants numbers were down and events income reduced at £37,000.

Consistent success was seen with trust and foundation funding, securing a total of £525,000 from both the Pears Foundation and the Edward Gostling Foundation, as well as smaller grants from a number of other trusts. The Pears Foundation have pledged a further £250,000 for the year ahead and the Edward Gostling Foundation have pledged to donate £1 million through a deed of gift to provide long term commitment over the next 10 years, and allow Family Fund to distribute grants across our Your Opportunity grant scheme, that supports young people aged 18-24 years.

Individual giving raised a total of £372,000 due to a large legacy donation, and we receive a steady stream of donations via our JustGiving pages and website. The year ahead will see the appointment of an individual giving fundraiser, to build on this work and steward our donors. We will also launch our own lottery, offering players a chance to win £25,000 every week, which we hope will build into a steady unrestricted income stream as we grow the number of players taking part and ultimately support more families.

Corporate partnerships were a new area of focus for Family Fund in 2021, helping to strengthen our financial security, and bolstering our drive to diversify our non-government income.

As well as leveraging additional financial and pro-bono support from existing and new suppliers, Family Fund signed off a wider-scale plan for this area of growth. In April 2021, we completed the public launch of our first significant, multi-layered corporate partnership with McCain. Over three years, the organisation will support Family Fund to the value of £1m, alongside high-profile external campaigns and internal staff fundraising and volunteering.

In 2021, key notable successes in the launch of these multi-channel campaigns include a primetime TV advert, an award-winning partnership with Sky, a social media teatime takeover and a new, co-branded podcast hosted by Paddy & Christine McGuinness. Importantly, funding from McCain helped support delivery of our information and support to families and enabled 1,007 families to come together at mealtimes, which is at the heart of our partnership.

We will continue to maximise the potential, and impact of, the partnership with McCain and prioritise expanding and embedding corporate partnerships as a key strand of sustainability in our fundraising and broader strategy.

Looking ahead in fundraising, we aim to consolidate progress made, build more team capacity and re-launch our fundraising strategy, with diversified funding streams that ensure we have the building blocks in place to make our 50th anniversary year a success.

A key strand of Family Fund's strategy has been to maintain, and where possible, further build upon, the grant support of our current funders. In parallel with this we have been growing the gifted income from our trading subsidiary, Family Fund Business Services, and diversifying our fundraised income.

Funding from the four UK governments makes up the largest part of our income and we are grateful to have strong working relationships with our respective funding departments. Our ability to work together on an ongoing basis, and share insight around the needs of the families we support, was key in unlocking additional funding provision, in both of the last two financial years.

It is greatly welcomed that all governments have, again, provided funding at the same level for 2022/23. The Scottish Government has increased the funding we receive for our Take a Break Scotland programme, from £700,000 to £1.5million and the Welsh Government has put in place a three-year grant agreement for 2022-25. In England, the Department for Education has put in place a two-year agreement.

FAMILY FUND TRUST

STRATEGIC REPORT (continued)

Securing our future (continued)

Gifted profits from Family Fund's trading body, Family Fund Business Services, reached an all-time high of £2.8 million this year, which brings it to a donation of over £9 million to Family Fund since the business launched in 2013. Income in the financial year was derived from portal fees, service delivery, grant fund management and supplier discounts. Taxable profits are donated to the parent undertaking and used to support the charity's strategic objectives, which include the extension of grant-making and the provision of new and innovative services to families.

Making family voices heard

By 2022 we said we wanted to be the 'go to' organisation for those who wish to understand the reality of life for families raising disabled, or seriously ill, children and young people, on lower incomes.

Ensuring that everything we do is both informed by, and contributes to, meeting the needs of families with disabled children is key to Family Fund's approach. We once again prioritised giving our families a platform this year, across traditional media, digital channels and online events, and acted as a conduit for their stories, to positively influence the work of key external stakeholders, including government policy makers.

During the last year, drawing upon learning from our previous annual family survey and covid research work, we continued to grow and develop our research function, engaging more than 6,500 families during 2021/22. A key element of this was our new quarterly family poll, used to understand, track and provide regular insight into the challenges and difficulties faced by the families we serve.

As well as helping to inform our grants, information and support, we share these findings with partners and stakeholders, both in the four UK governments and across the third sector, helping to inform policy-making.

The findings from this research have highlighted the lasting impact of the coronavirus pandemic on families on low-incomes raising disabled, or seriously ill children, even as restrictions eased. These were produced in regular reports across the year, highlighting the issues families face, shared widely with stakeholders and publicised across the UK on TV, radio and news outlets.

Almost half of families (47%) still report they are receiving less support than before the pandemic, and two thirds (66%) say their health and wellbeing is in a worse position.

Our March 2022 family survey showed that:

- 68% of families are financially worse off than before the pandemic;
- 50% of families report that, over the year, their household bills have increased by more than £100 a month;
- 90% of families are struggling to pay, or falling behind on, their household bills;
- Debts are increasing with the average family debt now standing at £5,592;
- 39% of families believe they will have to borrow more money or go further into debt;
- Many are having to make stark choices on household expenditure, such as whether to heat or eat – 46% had cut back on food for the adults and 39% had cut back on their energy usage.

For many families, our research has found that their recovery from the pandemic has also been impeded by the growing cost of living challenges. Coupled with falling incomes for more than a quarter of families (27%), the challenges faced are being made more difficult as a result of nine in 10 (93%) seeing increasing household costs. This has left many families raising disabled, or seriously ill, children in a situation where they are facing the choice of either falling further behind financially, or cutting back on even more essentials.

This year we continued to engage with all four governments, to feed this insight into their thinking, through direct engagement with policy officials, including facilitated focus group sessions with families, the submission of consultation responses and meeting directly with elected representatives, including the Northern Ireland Education Minister and the Scotland Minister for Mental Wellbeing and Social Care.

Through our partnership work, we link up with a wide range of organisations and coalitions, both to help promote the support we provide for disabled children and their families, and to work jointly on initiatives that seek to deliver better outcomes for families. This has included campaign work, via the Disabled Children's Partnership, for improved health and social care provision for disabled children, young people and their families. We also continue

FAMILY FUND TRUST

STRATEGIC REPORT (continued)

Making family voices heard (continued)

to work as part of the Grant Maker's Alliance, to maximise the reach and impact of the support provided by its member charities.

Over the course of the year, within our work to further develop Family Fund's equity, diversity and inclusion (EDI) strategy, we undertook an analysis of groups who could potentially face barriers to accessing our support. From this we identified where continued focus or additional action may be needed, either to engage with particular groups or to tackle specific barriers they may face in our application process. Our priority EDI groups are lone parent families, disabled parent carers, ethnic minority families and kinship carers.

In parallel with this review of priority groups, we continually seek geographic equity in our family reach. We do this by comparing the volume of first-time grant applications from local authority areas, against child DLA and low-income data, to identify 'cold spots' where we can undertake targeted outreach activity, including family information events.

Following research that almost half of all UK adults say they are unaware of the challenges faced by families raising a disabled child, and three quarters of families with disabled children believing their child will always be at a disadvantage, we launched our first six-episode podcast series in partnership with corporate partner McCain and celebrity couple, Paddy and Christine McGuinness, who have three children with autism.

Table Talk with Paddy and Christine, aims to raise better awareness of the highs and lows of daily life for families raising a disabled or seriously ill child and create a platform for families to share their personal stories.

Highlighting the partnership between both McCain and Family Fund and the essential grant support Family Fund offers families, the podcast featured on Spotify and Apple Podcasts and secured over 137 pieces of coverage for the series, including 53 nationals, with a total potential public reach of 1,407,386,702 and 15,249 total listens and downloads.

Transforming our support

Like every other organisation seeking to keep services going during the pandemic, we embraced the opportunity to drive forward further technological changes to support the Family Fund team in delivering grants and services to families through internal improvements. We also focused on how we could better support families who wished to apply, and were able to apply online. We have, therefore, continued to develop and improve our online application portal, to give families applying for a grant from within our Family Fund programmes the best digital experience we can offer.

A new version of this is due to launch later in 2022, and will enable families to do more online, more easily, including uploading documents, tracking their applications, providing more detail and saving partially completed applications. Internally, our project to develop and implement a new application processing and grant management system built around Microsoft Dynamics software, entitled Horizon, was well progressed this financial year and, whilst long awaited and somewhat thwarted by the pandemic, it is now due to be implemented in the autumn of 2022. This will enable us to deliver support to families more quickly, due to increased efficiency in application processing, and a move to largescale electronic communications with families. We do however remain very aware of the digital inequality that exists for many of the families that we support, so we ensure that those that need our support can access it, whether an online or paper application, and that we have retained an office presence to ensure this remains possible.

Families must be able to easily apply to us, contact us and receive our support in the most accessible way for them. We ensure that, when they do, we can manage, process and protect their data and information in the best and most efficient way, and give them the service they need as quickly as possible, based on their individual support needs.

Financial review

For 2021/22, government grant funding has been received from the following sources:

- The Department for Education, England - £27.3 million (2020/21: £40.8 million)
- Children and Families Directorate, Scottish Government - £3.5 million (2020/21: £3.9 million)
- Department of Health and Social Services, Welsh Government - £590,000 (2020/21 £518,000)

FAMILY FUND TRUST

STRATEGIC REPORT (continued)

Financial review (continued)

- Department of Health, Northern Ireland - £2.1 million (2020/21: £2.1 million)
- Primary and Community Care Directorate, Scottish Government - £1.2 million (2020/21: £879,000)

We remain extremely grateful to our funders for their continued support, both in 2021/22 and the forthcoming year.

From this government funding, nearly 92,000 grants and services worth £33.2 million were awarded to families; with 86% of these being goods or services, rather than cash. The percentage of cash awards has increased slightly this year due to supplier stock issues experienced during the Coronavirus pandemic and the importance of being able to respond to the immediate needs of families, along with the increase in Take a break Scotland funding, which is awarded solely as BACS payments to families.

During 2021/22, we also received grant funding from a range of other sources:

- £1.5 million (2021: 2.5 million) from Motability to provide leased vehicles to families with severely disabled children under the age of three with specific mobility needs;
- £200,000 (2021: £200,000) from The Marian Elizabeth Trust to continue support for families caring for children and young adults with multiple complex significant learning and physical support needs living in Liverpool, Wirral, and the Midlands;
- £275,000 (2021: £125,000) of funding from the Edward Gostling Foundation to extend our support to families with young people aged 18-24 from our Your Opportunity scheme. We have also received a deed of gift in the form of a £1 million expendable endowment from the Edward Gostling Foundation, which has been recognised in the 2021/22 financial statements although the funding will be received during 2022/23;
- £250,000 from Pears Foundation to further expand our Your Opportunity grant scheme;
- £25,000 from One Kirklees to support families caring for severely disabled children who live in north Kirklees;
- £18,000 (2021: £73,000) from Good Things Foundation (Power Up) to improve digital skills and digital confidence to maximise and stabilise income, empowering families to improve their long-term financial health within Edinburgh and Glasgow;
- £7,000 (2021: £6,000) from Good Things Foundation (HMRC) to support families who are in receipt of tax credits to ensure that they are receiving the disabled child element of tax credits, where appropriate; and
- £31,000 (2021: £24,000) of funding from a range of private trusts and foundations to support our Siblings Matter Too scheme and our digital skills training programme.

The Group received £300,000 during 2021/22 from the partnership with McCain Foods, although £333,000 has been recognised in the year and included in the gifted profits from FFBS. The unrestricted income has subsequently been designated by the board to provide grants which help families come together at meal times.

Family Fund Trading, trading as Family Fund Business Services, had its most successful year to date and generated profits of £2.8 million. The deed of covenant that was in place between the charity and Family Fund Business Services was terminated during the year, but a proportion of the profits (£1.9 million) was paid up to the charity during the year, with the remaining balance of taxable profits due to be paid in September 2022. This brings the total profits from the last eight financial years to over £9.4 million (2021: £6.6 million).

There was an overall surplus for the year of £2.7 million (2021: £2.4 million); with total funds standing at £10.5 million (2021: £7.8 million) at 31 March 2022.

Fundraising

During 2021/22, our fundraising team were responsible for generating a total of £409,000 from donations, gift aid and fundraising, £324,000 from corporate donations (including the income from McCain that is paid via Family Fund Business Services) and a further £580,000 of new restricted income from new and existing funders.

We are mindful of the need to ensure our fundraising activities are undertaken in line with best practice and are a positive experience for our supporters. For these reasons, Family Fund opted not to undertake forms of fundraising that carry higher reputational risks such as unsolicited direct mail or telephone fundraising campaigns although we continue to review this activity and opportunities to widen our supporter base. Similarly, we do not contract with

FAMILY FUND TRUST

STRATEGIC REPORT (continued)

Fundraising (continued)

any external fundraising organisations or professional fundraisers. All fundraising plans are monitored to ensure individuals do not receive excessive amounts of communications requesting support and emails are only sent to those who have explicitly opted in to receiving fundraising communications.

In order to support our planned growth in fundraising, our Trustees agreed the following split for donated income:

- 79% of donated income is used for charitable aims;
- 20% is reinvested into fundraising costs;
- 1% is used for organisational sustainability.

In the interests of improved transparency, this income split is clearly stated within our Fundraising Promise and within the fundraising pages on our website.

We have strong internal fundraising governance arrangements in place. Oversight of strategic direction on fundraising and on performance and compliance is maintained by a Fundraising Committee. Chaired by the Head of Fundraising, this committee meets quarterly and has a membership comprising the Group CEO, Group Director of Finance, Director of Grant Services, Head of Fundraising, Head of Audit and Compliance, Head of Communications, Communications and Marketing Manager and Managing Director of Family Fund Business Services. In addition, reports on fundraising are considered by Trustees at both the full Board and the Finance, Audit and Risk Committee, and there is a nominated Trustee to maintain oversight of fundraising activity.

Fundraising Standards

Family Fund is registered with the Fundraising Regulator and is committed to abiding by our Fundraising Promise as well as their Code of Fundraising Practice.

Fundraising Complaints

Our fundraising complaints process is published on our main website. We remain proud of the fact that Family Fund has, to date, never received a formal complaint in respect of our fundraising activities.

Protecting Vulnerable Individuals

Family Fund is responsible in its fundraising practice and will never exploit vulnerability; doing everything possible to ensure supporters make an informed decision about any donation they choose to make. We have a Vulnerable Supporter Policy to ensure best practice is embedded throughout our fundraising work.

Family Fund does not accept donations where it has reason to believe the donor may be experiencing vulnerable circumstances and accepting the donation would be harmful to the donor or morally wrong.

Reserves policy

The Trustees set Family Fund's reserves policy, which is developed through consideration of the requirements of charity law, the Charities SORP, finances, strategy and future funding needs.

We will retain reserves of not less than six months operating costs, equating to £2.6 million at 31 March 2022. The Department for Education in England permits us to retain six months operating costs (£1.9 million) in a restricted reserve to cover unforeseen circumstances and potential wind down costs; with the remaining £730,000 being met from our free reserves.

The current level of reserves is within the policy set by the Trustees and so no action is needed at this time. This will, however, remain under regular review; with any corrective action taken as appropriate.

The level of unrestricted reserves at 31 March 2022 is £2.7 million (2021: unrestricted reserves of £2.4 million) and total funds held by the charity at the end of the reporting year are £9.7 million (2021: £7.8 million).

Investment policy

Family Fund strives to produce the best financial return with a minimal level of risk and will not invest restricted funding in financial instruments that may result in a loss of capital. Our Scheme of Delegated authority permits surplus cash, over and above working capital requirements, to be held in interest bearing accounts with a number of different UK banks. Bank credit ratings are regularly reviewed using the leading credit agencies of Moody's, S&P and Fitch.

FAMILY FUND TRUST

STRATEGIC REPORT (continued)

The year ahead

Whilst 2021/22 was the fifth and final year of the #help150,000 strategy, in 2021 the charity's Trustees accepted a recommendation from the executive to extend the strategy for a further year. This decision, by trustees, was taken in recognition of the impact experienced by the charity as a result of the COVID 19 pandemic, which had "shifted the ground" for delivery, and the need to focus resource on the technology changes that would underpin any future strategy.

The 2022/23 year will therefore be an enabling year, where Family Fund continues to focus on the strategic themes of securing our future, transforming our support and making voices heard, whilst developing a new five-year strategy to meet the challenges of a post-pandemic, post-Brexit macro-environment.

During the year ahead, Family Fund will again seek to sustain and deliver 150,000 grants and services to families. Whilst this headline target remains the same numerically, the challenge of reaching it has increased substantially. Due to a number of economic factors, such as growing inflation and import challenges, the supply cost of some grant items has increased considerably, whilst the level of core funding received by Family Fund has, for the most part, remained the same. As a charity we are, therefore, introducing revised strategies to manage the flow of grant funding, to ensure that our programmes can remain open to families for as long as possible, and that Family Fund can continue to reach out to new families requiring support, whilst continuing to help previous applicants who still have unmet needs.

Under the theme of securing our future, Family Fund expects to strengthen its fundraising capacity and capability still further in 2022/23. Whilst market conditions for fundraising are expected to continue to be difficult as the sector recovers from the pandemic, a new approach to individual giving will be developed during the year, some additional Trust support is already in place, and a new lottery, which will launch in the summer, will support the achievement of pragmatic fundraising targets. The year will also see the continuation of the charity's productive corporate partnership with McCain, which will enable Family Fund to build on the strong relationship that has been established so far.

Under the theme of transforming our support, the organisation will continue to push forward on the implementation of Project Horizon, an ambitious project to renew the technology underpinning the grant-making process. The initial implementation of Project Horizon is expected to take place in the first half of 2022/23, followed by a managed programme of enhancements, to drive further efficiencies from the technology. The technology for the group's contact centre functions will also be replaced during the year, which will support better information sharing across grant-making and first contact teams, improve reporting functionality, and provide opportunities for omni-channel family contact in the future, in line with Family Fund's ambition of communicating with families through their channel of choice. In 2022/23, Family Fund will also develop its capability in the area of performance data visualization, through the introduction of real-time performance dashboards which will support managers in identifying trends and delivery issues in a timely way.

Under the theme of making voices heard, Family Fund will be expanding its evaluation work by introducing quarterly evaluations of grants and services. This will increase the opportunity for families to provide feedback, and enable the charity to respond more quickly where changes are needed. Family Fund will continue to use its research function to identify the key issues experienced by families, backed by a public affairs programme, to share insights with policy-makers, funders and partners, and an events programme, to provide direct opportunities for families to influence on matters of importance to them. During the 2022/23 year, Family Fund plans a campaign for its 50th birthday year, to draw new focus to the experiences of families with disabled, and seriously ill, children, acknowledge the support that funders, through Family Fund, have provided, and explore opportunities for the future based on our families' needs.

Principal Risks and Uncertainties

Risk management

The Risk Management Framework and Register adopted by Family Fund follows the principles laid out in the Charity Commission guidance. This Framework has recently been reviewed to incorporate a series of risk appetite statements for the Group's key risks. It is the responsibility of every member of the senior management team to identify and assess potential risks. The Risk Register is fully reviewed by the Board's Finance, Audit and Risk

FAMILY FUND TRUST

STRATEGIC REPORT (continued)

Risk management (continued)

Committee twice a year, with quarterly risk status reports presented at each meeting. Actions, systems or procedures have been established to manage those major risks to which the organisation is exposed.

The principal financial risk facing the charity and the group is the uncertainty around funding levels in future years. There is some mitigation in place to protect against this risk, as explained in the Going Concern section below.

The other financial risk to which the charity is exposed is the crystallisation of the pension liability. As the repayments under the recovery plan are affordable and the scheme still has around 90 employers, there is no short term risk; however, the Board will continue to regularly monitor the situation.

The Coronavirus pandemic poses no immediate operational risk to delivering our grant programmes over the next 12 months. Some of our grant fulfilment suppliers have been impacted by stock issues but we have been able to vary our award methods, where needed, in order to mitigate this. Organisational efficiency was slightly impacted during the first lockdown, but improvements have been made to remote working systems and processes, and additional staff brought into key operational teams where needed.

Going concern basis

Family Fund is largely dependent upon receiving funding from the four UK Governments to maintain its grant making and information provision to families. Family Fund has worked in partnership with the UK Governments for 48 years and continues to deliver excellent value for money, ensuring more than 90p in every £1 spent is used on direct charitable expenditure. We have also improved our outcome reporting to funders to better evidence the impact of our work and demonstrate the 'added value' provided to their beneficiaries by the diversification of our funding base and the expansion of our information and support service.

In response to the pandemic, Family Fund approached all governments for further funding, sharing research that was derived from families as to the impact of Coronavirus on their health and wellbeing. This research contributed to Family Fund receiving an additional £15.2 million of funding in 2020/21 specifically in response to the unique difficulties presented by the Coronavirus pandemic, helping parents educate, entertain and look after their children. During 2021/22, government funding was due to return to pre-pandemic levels, however, the demand for our support continued to increase and we were able to secure an additional £1.8 million of funding.

A grant assurance review was completed by the Department for Education in 2019 to provide assurance that Family Fund is able to efficiently and effectively distribute government funding. The review concluded that:

- we have robust governance in place, with strong financial procedures and controls;
- we have a good understanding of our key risks and how to mitigate them;
- we have common policies and procedures embedded into the organisation;
- we demonstrate value for money; and
- we have sufficient skills to ensure sound financial management.

During 2019/20, Family Fund was one of only five organisations, and the only charity, to be invited to participate in the Department for Education's Strategic Supplier Relationship Management (SSRM) programme. This programme sees the Department working collaboratively with strategic suppliers to improve delivery of government objectives and increase mutual value beyond that originally contracted. The 12 month plan was put in place for execution from April 2020 for 12 months however, due to the coronavirus pandemic, completion of the SSRM initiatives will fall into the 2022/23 financial year.

We have a two year funding commitment from the Department for Education in England for £27.3 million per year, commencing on 1 April 2022, and a three year funding commitment from Welsh Government for £360,000 per year which will run through to March 2025. With continued good relationships with all of our government funders, commitments to continue funding through 2022/23 and a successful story to tell this year, we have every confidence that all of our government funding will be renewed in 2023/24.

We have secured a three year agreement with Motability for our Mobility Support programme for families with children under three who are not eligible to receive the mobility component of DLA. This commenced in January 2022, with £5 million of funding in each year.

FAMILY FUND TRUST

STRATEGIC REPORT (continued)

Going concern basis (continued)

Following a successful bid to the Pears Foundation, Family Fund will receive £350,000 during 2022/23 to support 18 to 25 year olds through our Your Opportunity grant programme. This supplements the funding from The Edward Gostling Foundation of £500,000 over five years and the additional £1 million expendable endowment that has been committed to extend this programme for a further ten years.

Family Fund's successful partnership with McCain Foods will generate £1 million of income for the charity over the three years to November 2023.

Sensitised cash flow forecasts, including a severe but plausible downside scenario, have been prepared for a period greater than 12 months from approval of these financial statements demonstrating the charity has sufficient cash reserves.

Trustees, therefore, consider that the going concern assumption is an appropriate basis on which to prepare these financial statements.

Internal financial control

The Trustees recognise that a system of internal financial control can only provide reasonable and not absolute assurance, against material misstatement or loss. The principal elements of the system of internal financial control within Family Fund Group are:

- The Finance, Audit and Risk Committee, consisting of at least four Trustees, to consider all significant internal financial control matters for the Group;
- Delegated authority procedures, which are reviewed annually, set out the authorisation levels for the commitment, approval and payment of all expenditure;
- Monthly Financial Reports to the relevant Board, highlighting the reasons for any significant variances between the budget for the financial year and the actual out-turn;
- Appropriate staff employed to carry out the day-to-day work of Family Fund Group with an appropriate staff structure; and
- A quarterly report on internal controls to the Finance, Audit and Risk Committee and the Family Fund Business Services Board.

The Finance, Audit and Risk Committee have the following responsibilities, which are subsequently reported to the Board:

- To review and approve the Group financial and internal control systems;
- To review and approve the charity's scheme of delegated authority, with the scheme of delegated authority for Family Fund Business Services being reviewed and approved by the Family Fund Business Services Board;
- To approve all Group financial, whistleblowing and accounting policies;
- To review the financial content of the charity's corporate plan and the annual budget;
- To review monthly financial performance of the charity and ensure adherence to the annual budget;
- To review Family Fund Business Services' financial performance and progress against the business plan;
- To review compliance with Financial Conduct Authority (FCA) regulation;
- To review the Group risk management framework, risk register and risk appetite statements;
- To review the levels and types of insurance cover in place for the Group;
- To review the Group disaster recovery and business continuity plans;
- To review the crisis recovery plan;
- To review Group information security policies and procedures, along with the results of information governance assurance testing;
- To review draft annual financial statements for the Group to ensure compliance with appropriate accounting standards and to be responsible for all other audit matters;
- To review and approve the Group commercial contracts and agreements register;
- To review and approve the relationship agreement between Family Fund and Family Fund Business Services; and
- To review and approve Reserved Matters of Family Fund Business Services.

FAMILY FUND TRUST

STRATEGIC REPORT (continued)

Provision of information to auditors

Each of the persons who are trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing its report and to establish that the charitable company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Employee information

The vision of Family Fund's people strategy is for the Group to be a great place to work, for great people and to be a local employer of choice in the charity sector. We have continued to focus on this and on continually improving our working arrangements and environment for staff, despite the ongoing challenges arising from Covid-19 over recent months.

Two areas of focus over the last year have been supporting staff through lifting Covid restrictions, as referenced in the strategic report, and our continued increased focus on equity, diversity and inclusion.

Equity, diversity and inclusion (EDI), is not a new concept at Family Fund, but we are keen to improve our approach to EDI for staff and the families we support in line with both our people strategy and our priority to make family voices heard. Through engagement with colleagues, we created our inclusion statement, which we are proud to have shared internally and externally to signal our commitment and intent in this important area. We have also established our Champions team, sourcing training for them and supporting them into their new roles.

Our supported internship scheme has been a success this year, with three young people working with us from September 2021. We will be recruiting our new cohort for September 2022.

Our commitment to our values – passionate, determined, connected and supported - is unchanged but we continue to find ways to share and celebrate them with staff and more widely.

The increased cost of living, National Insurance rises and other external factors have caused concern for our staff this year. In response, we implemented a salary sacrifice pension scheme and an above inflation pay increase, which was weighted more heavily to staff at the lower bands of our pay structure. We are proud to be a Voluntary Living Wage employer but have also implemented a new starting salary for our front line Grants Services colleagues above the voluntary living wage, again in response to the pressures colleagues are experiencing. We will continue to monitor pay and conditions closely to ensure that we are delivering a pay and benefits package that can attract and retain colleagues but is also responsible and respectful use of charitable funds.

Section 172 statement

All Trustees of Family Fund promote the charitable purpose of the charity; act in good faith and in doing so act in accordance with Section 172 of the Companies Act 2006 (Duty to promote the success of the company). In fulfilling this, the Trustees consider:

- the likely consequences of any decisions they make in the long term
- the interests of the company's employees
- the need to foster the company's business relationships with suppliers, customers and others
- the impact of the company's operations on the community and the environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between members of the company.

All Family Fund Trustees upon appointment receive an induction, which includes reading on the duties of a trustees and briefing on their duties. Trustees are directed to more advice, information and guidance from within governance documents, previous Board papers, Family Fund senior leadership team, staff, and external advisors where advice is required.

FAMILY FUND TRUST

STRATEGIC REPORT (continued)

Section 172 statement (continued)

Trustees fulfil their duties through the Governance and Committee framework that includes a Finance Audit and Risk Committee, Reward and Nominations Committee, and Safeguarding Committee. The Trustees delegate day-to-day decision making to employees, led by the Group Chief Executive and Executive Directors. Delegation to employees is based not only on financial authority, but also with the expectation that they embrace the organisational values and behaviours expected in fulfilment of their responsibilities. The Board has established measures and structures in place ensuring a robust system of control and assurance processes are in operation. The Trustee Board sets the strategic direction of Family Fund and decisions are taken in the context of the current 2017/23 #help 150,000 strategy. This provides a consistent and coordinated approach to the Trustee Board's decision making, with Trustees considering the charity's strategy sustainability and long-term success at all times.

Trustees maintain the interests of Family Fund employees and volunteers, through its People Strategy overseen by the Reward and Nominations Committee. During the year a range of insights, including information from staff surveys, working groups and training and development feedback are provided to the Committee to understand staff views. The Trustees receive reports from Director of HR and Facilities, and Chief Executive who work closely with and sit in attendance to the Reward and Nominations Committee.

The views, life challenges and aspiration of families with disabled children are also vital to inform Board work and decisions. The Trustee Board has four trustees with lived experience of disability, but in addition, the charity presents quarterly family surveys to the trustees on the life experience of families based on a largely retained set of questions that can be evaluated over the year for changes and trends. This work also extends to evaluate the impact and outcome of grant schemes delivered by the charity. The Trustees also have the opportunity to engage with families at events, and listen to calls received from families into the charity's First Contact Team. The Board of Trustee understand the importance of maintaining productive relationships with all stakeholders, underlined by a strong sense of purpose. We have also continued to focus on increasing our voice and influence with government and policy-makers, as we aim to raise awareness of the needs of low income families with disabled or seriously ill children.

Family Fund has strong relationships with a large range of suppliers who support the delivery of grant items to families and work closely with the Executive to understand and support the charity's vision and purpose. During a second year of the pandemic and supply challenges, suppliers ensured that they were able to fulfil the needs of the charity, ensuring no family went without the item they needed due to supply disruption.

Through working collaboratively with the Executive Leadership Team and listening to feedback from the charity's many stakeholders and corporate governance structures, the Board of Trustees believes that it is well positioned to respond to uncertainties and promote the success of Family Fund.

See the section "Delivery for families" in the Strategic Report (p10) for consideration of the charity's impact on the community. See the section "Environmental statement" in the Trustees' Report (p7) for consideration of the charity's impact on the environment.

Independent Auditors

PricewaterhouseCoopers LLP were appointed for a five year term, commencing 2018/19, however, due to increasing costs across the audit industry, Family Fund will complete a tender process during 2022.

The Trustees' Report, including the Strategic Report, was approved by the Board and signed on its behalf by:



Neil Scott
Chair of Trustees

30 September 2022

FAMILY FUND TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF FAMILY FUND TRUST

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

In our opinion, Family Fund Trust's group financial statements and charity financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the charity's affairs as at 31 March 2022 and of the group's and charity's incoming resources and application of resources, including its income and expenditure, and of the group's cash flows, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended).

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the group and charity balance sheets as at 31 March 2022; the consolidated statement of financial activities and the charity statement of financial activities, and the consolidated cash flow statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group and charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group and charity's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and charity's ability to continue as a going concern.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

FAMILY FUND TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF FAMILY FUND TRUST

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Strategic Report and Trustees' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) require us also to report certain opinions and matters as described below.

Strategic Report and Trustees' Report

In our opinion, based on the work undertaken in the course of the audit the information given in the Trustees' Report, including the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the group and charity and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Trustees' Report. We have nothing to report in this respect.

Responsibilities for the financial statements and the audit

Responsibilities of the trustees for the financial statements

As explained more fully in the Statement of trustees' responsibilities, the trustees are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The trustees are also responsible for such internal control as they 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 group's and charity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group and charity or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

We have been appointed as auditors under section 44(1) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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

Based on our understanding of the group and charity, we identified that the principal risks of non-compliance with laws and regulations related to non-compliance with health and safety, employment, data protection, safeguarding, fundraising and FCA regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and

FAMILY FUND TRUST

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS AND TRUSTEES OF FAMILY FUND TRUST (continued)

regulations 6 and 8 of The Charities Accounts (Scotland) Regulations 2006 (as amended). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries. Audit procedures performed included:

- Discussions with management and the Trustees, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Evaluation of management's controls designed to prevent and detect fraudulent financial reporting.
- Reviewing minutes of meetings of those charged with governance;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Reviewing financial statement disclosures and testing to supporting documentation, where appropriate, to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the charitable company's members and trustees as a body in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and regulations made under those Acts (regulation 10 of The Charities Accounts (Scotland) Regulations 2006 (as amended) and Chapter 3 of Part 16 of the Companies Act 2006) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

Matters on which we are required to report by exception

Under the Companies Act 2006 and The Charities Accounts (Scotland) Regulations 2006 (as amended) we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate and proper accounting records have not been kept by the charity or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- the charity financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Thomas Dodd (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Leeds
30 September 2022

FAMILY FUND TRUST

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including consolidated income and expenditure account) Year ended 31 March 2022

	Note	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2022 £'000	Total funds 2021 £'000
INCOME FROM:							
Charitable activities							
Funding for grants and services	3	-	-	37,010	1,000	38,010	51,054
Other income		-	-	-	-	-	30
Donations, Gift Aid and fundraising		539	-	19	-	558	428
		539	-	37,029	1,000	38,568	51,512
Other trading activities							
Trading income	10	5,031	-	-	-	5,031	3,864
Investments							
Interest receivable		11	-	7	-	18	29
TOTAL INCOME		5,581	-	37,036	1,000	43,617	55,405
EXPENDITURE ON:							
Cost of delivering grants and services to families	4	(2,165)	(955)	-	-	(3,120)	(3,030)
Grants and services to families	5	(124)	(489)	(35,882)	-	(36,495)	(48,895)
Less discounts receivable	5	-	29	2,752	-	2,781	3,191
Support costs	6	(1,579)	(51)	-	-	(1,630)	(2,206)
		(3,868)	(1,466)	(33,130)	-	(38,464)	(50,940)
Raising funds							
Trading costs		(2,113)	-	-	-	(2,113)	(1,843)
Fundraising costs		-	(230)	-	-	(230)	(184)
TOTAL EXPENDITURE		(5,981)	(1,696)	(33,130)	-	(40,807)	(52,967)
Net (expense)/income before tax		(400)	(1,696)	3,906	1,000	2,810	2,438
Taxation		-	-	-	-	-	-
Net (expense)/income for the year		(400)	(1,696)	3,906	1,000	2,810	2,438
Transfer between funds	15	1,650	2,658	(4,308)	-	-	-
Net movement in funds		1,250	962	(402)	1,000	2,810	2,438
Reconciliation of funds:							
Total funds brought forward		2,367	2,135	3,325	-	7,827	5,389
Net movement in funds for the year		1,250	962	(402)	1,000	2,810	2,438
Total funds carried forward	15	3,617	3,097	2,923	1,000	10,637	7,827

There were no recognised gains or losses other than the net income for the year. All income and expenditure derives from continuing activities. See note 20 for comparative Consolidated Statement of Financial Activities analysed by funds.

FAMILY FUND TRUST

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (including income and expenditure account) Year ended 31 March 2022

	Note	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total funds 2022 £'000	Total funds 2021 £'000
INCOME FROM:							
Charitable activities							
Funding for grants and services	3	-	-	37,010	1,000	38,010	51,054
Other income		-	-	-	-	-	30
Donations, Gift Aid and fundraising		2,488	-	19	-	2,507	2,357
		<u>2,488</u>	<u>-</u>	<u>37,029</u>	<u>1,000</u>	<u>40,517</u>	<u>53,441</u>
Investments							
Interest receivable		10	-	7	-	17	27
		<u>10</u>	<u>-</u>	<u>7</u>	<u>-</u>	<u>17</u>	<u>27</u>
TOTAL INCOME		<u>2,498</u>	<u>-</u>	<u>37,036</u>	<u>1,000</u>	<u>40,534</u>	<u>53,468</u>
EXPENDITURE ON:							
Cost of delivering grants and services to families	4	(2,158)	(955)	-	-	(3,113)	(3,026)
Grants and services to families	5	(124)	(489)	(35,882)	-	(36,495)	(48,895)
Less discounts receivable	5	-	29	2,752	-	2,781	3,191
Support costs	6	(1,484)	(51)	-	-	(1,535)	(2,116)
		<u>(3,766)</u>	<u>(1,466)</u>	<u>(33,130)</u>	<u>-</u>	<u>(38,362)</u>	<u>(50,846)</u>
Raising funds							
Fundraising costs		-	(230)	-	-	(230)	(184)
		<u>-</u>	<u>(230)</u>	<u>-</u>	<u>-</u>	<u>(230)</u>	<u>(184)</u>
TOTAL EXPENDITURE		<u>(3,766)</u>	<u>(1,696)</u>	<u>(33,130)</u>	<u>-</u>	<u>(38,592)</u>	<u>(51,030)</u>
Net (expense)/income for the year		<u>(1,268)</u>	<u>(1,696)</u>	<u>3,906</u>	<u>1,000</u>	<u>1,942</u>	<u>2,438</u>
Transfer between funds	15	1,650	2,658	(4,308)	-	-	-
Net movement in funds		<u>382</u>	<u>962</u>	<u>(402)</u>	<u>1,000</u>	<u>1,942</u>	<u>2,438</u>
Reconciliation of funds:							
Total funds brought forward		2,366	2,135	3,325	-	7,826	5,388
Net movement in funds for the year		382	962	(402)	1,000	1,942	2,438
		<u>2,748</u>	<u>3,097</u>	<u>2,923</u>	<u>1,000</u>	<u>9,768</u>	<u>7,826</u>
Total funds carried forward	15	<u>2,748</u>	<u>3,097</u>	<u>2,923</u>	<u>1,000</u>	<u>9,768</u>	<u>7,826</u>

There were no recognised gains or losses other than the net income for the year. All income and expenditure derives from continuing activities. See note 21 for comparative Charity Statement of Financial Activities analysed by funds.

FAMILY FUND TRUST

BALANCE SHEETS

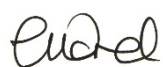
At 31 March 2022

	Note	Group 2022 £'000	2021 £'000	Charity 2022 £'000	2021 £'000
FIXED ASSETS					
Tangible assets	9	304	123	304	121
		<u>304</u>	<u>123</u>	<u>304</u>	<u>121</u>
CURRENT ASSETS					
Debtors	11	7,096	5,596	2,017	2,669
Cash at bank and in hand	12	21,061	22,900	19,198	19,957
		<u>28,157</u>	<u>28,496</u>	<u>21,215</u>	<u>22,626</u>
LIABILITIES					
Creditors: amounts falling due within one year	13	(17,475)	(19,793)	(11,402)	(13,922)
		<u>10,682</u>	<u>8,703</u>	<u>9,813</u>	<u>8,704</u>
NET CURRENT ASSETS					
		<u>10,682</u>	<u>8,703</u>	<u>9,813</u>	<u>8,704</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>10,986</u>	<u>8,826</u>	<u>10,117</u>	<u>8,825</u>
Creditors: amounts falling due after one year					
Provision for other liabilities		(57)	(64)	(57)	(64)
Post-employment benefits	14	(292)	(935)	(292)	(935)
		<u>10,637</u>	<u>7,827</u>	<u>9,768</u>	<u>7,826</u>
TOTAL NET ASSETS					
		<u>10,637</u>	<u>7,827</u>	<u>9,768</u>	<u>7,826</u>
FUNDS					
Unrestricted funds		3,617	2,367	2,748	2,366
Designated funds		3,097	2,135	3,097	2,135
Restricted funds		2,923	3,325	2,923	3,325
Endowment funds		1,000	-	1,000	-
		<u>10,637</u>	<u>7,827</u>	<u>9,768</u>	<u>7,826</u>
TOTAL FUNDS	15,16	<u>10,637</u>	<u>7,827</u>	<u>9,768</u>	<u>7,826</u>

These financial statements of The Family Fund Trust registered number 3166627 were approved by the Board of Trustees and authorised for issue on 30 September 2022, and were signed on its behalf by:



Neil Scott
Chair of Trustees



Cheryl Ward
Chief Executive

FAMILY FUND TRUST

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2022

	Note	2022 Unrestricted funds £'000	2022 Designated funds £'000	2022 Restricted funds £'000	2022 Endowment funds £'000	2022 Total funds £'000
Net cash generated from/(used in) operating activities	19	368	1,070	(3,088)	-	(1,650)
Cash flows from investing activities:						
Interest receivable		11	-	7	-	18
Purchase of property, plant and equipment		(207)	-	-	-	(207)
Net cash (used in)/generated from investing activities		(196)	-	7	-	(189)
Net increase/(decrease) in cash and cash equivalents		172	1,070	(3,081)	-	(1,839)
Cash and cash equivalents at beginning of year		4,594	2,188	16,118	-	22,900
Cash and cash equivalents at the end of the year	12	4,766	3,258	13,037	-	21,061

	Note	2021 Unrestricted funds £'000	2021 Designated funds £'000	2021 Restricted funds £'000	2021 Total funds £'000
Net cash flows from operating activities	19	2,100	667	7,109	9,876
Cash flows from investing activities:					
Interest receivable		10	-	19	29
Purchase of property, plant and equipment		(1)	-	-	(1)
Net cash flows from investing activities		9	-	19	28
Net increase in cash and cash equivalents		2,109	667	7,128	9,904
Cash and cash equivalents at beginning of year		2,485	1,521	8,990	12,996
Cash and cash equivalents at the end of the year	12	4,594	2,188	16,118	22,900

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 March 2022

1. ACCOUNTING POLICIES

Company and charitable status

Family Fund Trust ("Family Fund"), a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are currently twelve Trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £10. Family Fund is a registered charity. The registered office is shown on page 55.

Basis of accounting

The financial statements are prepared under the historical cost convention, in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" applicable to charities preparing their financial statements in accordance with the Financial Reporting Standard applicable to the UK and Republic of Ireland (FRS 102), effective 1 January 2019; the Companies Act 2006; the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

Family Fund has availed itself of chapter 4 section 396 of the Companies Act 2006 and adapted the Companies Act formats to reflect the special nature of our activities.

The Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemption available to it in respect of its separate financial statements in relation to presentation of a cash flow statement.

The principal accounting policies are set out below.

Preparation of financial statements - going concern basis

Family Fund is largely dependent upon receiving funding from the four UK Governments to maintain its grant making and information provision to families. Family Fund has worked in partnership with the UK Governments for 48 years and continues to deliver excellent value for money, ensuring more than 90p in every £1 spent is used on direct charitable expenditure. We have also improved our outcome reporting to funders to better evidence the impact of our work and demonstrate the 'added value' provided to their beneficiaries by the diversification of our funding base and the expansion of our information and support service.

In response to the pandemic, Family Fund approached all governments for further funding, sharing research that was derived from families as to the impact of Coronavirus on their health and wellbeing. This research contributed to Family Fund receiving an additional £15.2 million of funding in 2020/21 specifically in response to the unique difficulties presented by the Coronavirus pandemic, helping parents educate, entertain and look after their children. During 2021/22, government funding was due to return to pre-pandemic levels, however, the demand for our support continued to increase and we were able to secure an additional £1.8 million of funding.

A grant assurance review was completed by the Department for Education in 2019 to provide assurance that Family Fund is able to efficiently and effectively distribute government funding. The review concluded that:

- we have robust governance in place, with strong financial procedures and controls;
- we have a good understanding of our key risks and how to mitigate them;
- we have common policies and procedures embedded into the organisation;
- we demonstrate value for money; and
- we have sufficient skills to ensure sound financial management.

During 2019/20, Family Fund was one of only five organisations, and the only charity, to be invited to participate in the Department for Education's Strategic Supplier Relationship Management (SSRM) programme. This programme sees the Department working collaboratively with strategic suppliers to improve delivery of government objectives and increase mutual value beyond that originally contracted. The 12 month plan was put in place for execution from April 2020 for 12 months however, due to the coronavirus pandemic, completion of the SSRM initiatives will fall into the 2022/23 financial year.

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

1. ACCOUNTING POLICIES (continued)

Preparation of financial statements - going concern basis (continued)

We have a two year funding commitment from the Department for Education in England for £27.3 million per year, commencing on 1 April 2022, and a three year funding commitment from Welsh Government for £360,000 per year which will run through to March 2025. With continued good relationships with all of our government funders, commitments to continue funding through 2022/23 and a successful story to tell this year, we have every confidence that all of our government funding will be renewed in 2023/24.

We have secured a three year agreement with Motability for our Mobility Support programme for families with children under three who are not eligible to receive the mobility component of DLA. This commenced in January 2022, with £5 million of funding in each year.

Following a successful bid to the Pears Foundation, Family Fund will receive £350,000 during 2022/23 to support 18 to 25 year olds through our Your Opportunity grant programme. This supplements the funding from The Edward Gostling Foundation of £500,000 over five years and the additional £1 million expendable endowment that has been committed to extend this programme for a further ten years.

Family Fund's successful partnership with McCain Foods will generate £1 million of income for the charity over the three years to November 2023.

Sensitised cash flow forecasts, including a severe but plausible downside scenario, have been prepared for a period greater than 12 months from approval of these financial statements demonstrating the charity has sufficient cash reserves.

Trustees, therefore, consider that the going concern assumption is an appropriate basis on which to prepare these financial statements.

Basis of consolidation

Group financial statements have been prepared in respect of Family Fund and its wholly owned subsidiary undertaking Family Fund Trading Limited. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 10.

Income

Income (including receipt of endowment funds) is recognised when the charity and subsidiary have entitlement to the funds; any performance conditions attached to the item(s) of income have been met; it is probable that the income will be received and the amount can be measured reliably.

Income is received as grant funding in accordance with the funding agreements between Family Fund and its funding bodies.

Donations include all income received by the charity that is made on a voluntary basis, along with related gift aid income and income from a small number of fundraising events organised by the charity.

Interest is accrued to the balance sheet date.

Donated goods and services

Donated goods, professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably.

On receipt, donated goods, professional services and donated facilities are recognised on the basis of the value of the gift to the charity, which is the amount the charity would have been willing to pay to obtain goods, services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the financial year of receipt.

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

1. ACCOUNTING POLICIES (continued)

Expenditure

Expenditure is included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT, where this cannot be recovered.

Expenditure on raising funds includes the costs incurred in generating fundraising income and trading costs.

Family Fund's primary charitable activity is to deliver grants and services to families with severely disabled children. Expenditure on charitable activities includes:

- costs of delivering grants and services to families, being the direct costs associated with the processing of applications or providing services;
- grants given to families, which are recognised as expenditure based on the date of the grant award. Any discounts on goods and services provided to families, receivable up to the balance sheet date, are credited against grants provided to families in the Statement of Financial Activities;
- services to families, being the costs of information provision and support to the whole family;
- support costs, which include central functions and governance costs. Governance costs comprise all costs involving the public accountability of the charity and its compliance with regulation and good practice. These costs include legal and audit fees, together with Trustees' expenses. Support costs are not allocated to fundraising activities, as a significant proportion of these relate to fulfilling our obligations under our restricted funding agreements.

Fund accounting

Restricted funds are funds subject to specific restrictions imposed by the funding authorities. These funds are not available for the Trustees to apply at their discretion. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Designated funds are funds approved by Trustees to develop and deliver enhanced support for beneficiaries, and to secure the ongoing sustainability of the organisation.

The endowment fund (The Ted Gostling Fund) has arisen from £1 million received from The Edward Gostling Foundation. The funds are to be used for the purpose of providing grants to families living in the United Kingdom who are raising disabled or seriously ill young people within the 18 to 25 year age group. Each year, the charity may apply income and capital from the endowment, limited to 10% of the original capital value and in each subsequent year, an amount equivalent to the available spend in the previous year, increased by a percentage equivalent to the percentage increase in the Consumer Prices Index including owner occupiers' housing costs as published by the Office for National Statistics (CPIH). From 1 April 2033, the charity may use all income and remaining capital for any purpose that furthers the charity's objectives. The balance carried forward represents the capital and investment income thereon which have not been expended.

Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in financial years different from those in which they are recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

1. ACCOUNTING POLICIES (continued)

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the financial year in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation.

Tangible fixed assets over £1,000 are initially included at their cost of acquisition, including costs that are directly attributable to bringing the assets into working condition for their intended use.

Donated, functional fixed assets are included at a valuation made by the Trustees. Where the use of these assets is unrestricted they are included in a designated fund reflecting their book value.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets over their expected useful lives from the date of installation. The rates generally applicable are:

Leasehold improvements	straight line over the lease term
Furniture and equipment	5 years straight line
Computer equipment and software	4 years straight line

Operating leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

Employee benefits - Pensions

Family Fund participates in the Scottish Voluntary Sector Pension Scheme. This scheme was closed to future accrual on 31 March 2010. The assets of the scheme are held separately in a fund administered for the benefit of the individual participating employees. The scheme is a multi-employer defined benefit final salary scheme where the share of the assets and liabilities applicable to each employer is not identified. Accordingly, these financial statements recognise a liability for the present value of contributions payable under the recovery plan. The present value is calculated using a discount rate which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions. This discount rate has been adopted due to restrictions on borrowing within some grant funding agreements preventing this being used to calculate an alternative rate. The unwinding of the discount rate is recognised as a finance cost within support costs.

We also participate in TPT Retirement Solutions' Growth Plan; another scheme where the assets and liabilities applicable to each employer cannot be separately identified. As such, these financial statements also recognise a liability for the present value of contributions payable under the recovery plan. The present value is calculated using a discount rate which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions. The unwinding of the discount rate is recognised as a finance cost within support costs.

In place of the previous defined benefit schemes, we introduced a Group Personal Pension Plan administered by Scottish Widows in April 2010 which is a defined contribution scheme. This scheme is funded by contributions from employees and the charity/subsidiary as employer. The amount charged to the Statement of Financial Activities in respect of pension costs is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown either as accruals or prepayments in the balance sheet.

Prepayments and accrued income

Prepayments are valued at the amount prepaid net of any trade discounts due.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

1. ACCOUNTING POLICIES (continued)

Financial instruments

The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Trade and other debtors are recognised at the settlement amount due after any trade discount offered.

Financial instruments (continued)

Cash at bank and cash in hand includes cash and short term highly liquid investments with a maturity of six months or less from the date of acquisition or opening of the deposit or similar account. Fixed term deposit accounts with a duration of over 3 months are treated as cash equivalents as the deposits have no significant risk of a change in value as a result of an early withdrawal.

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

3. FUNDING FOR GRANTS AND SERVICES

During the year, funding was received from the following sources for the group and charity's single charitable activity:

2022	Unrestricted £'000	Designated £'000	Restricted £'000	Endowment £'000	2022 Total £'000
Government grants					
England	-	-	27,323	-	27,323
Northern Ireland	-	-	2,072	-	2,072
Scotland	-	-	3,474	-	3,474
Take a Break Scotland	-	-	1,245	-	1,245
Wales	-	-	590	-	590
	-	-	34,704	-	34,704
Other sources of funding					
Motability	-	-	1,500	-	1,500
Marian Elizabeth Trust	-	-	200	-	200
Edward Gostling Foundation	-	-	275	-	275
The Ted Gostling Fund	-	-	-	1,000	1,000
Pears Foundation	-	-	250	-	250
One Kirklees	-	-	25	-	25
Good Things Foundation - Power Up	-	-	18	-	18
Good Things Foundation/HMRC	-	-	7	-	7
Other trust/foundation funding	-	-	31	-	31
	-	-	37,010	1,000	38,010
2021	Unrestricted £'000	Designated £'000	Restricted £'000	Endowment £'000	2021 Total £'000
Government grants					
England	-	-	40,823	-	40,823
Northern Ireland	-	-	2,052	-	2,052
Scotland	-	-	3,854	-	3,854
Take a Break Scotland	-	-	879	-	879
Wales	-	-	518	-	518
	-	-	48,126	-	48,126
Other sources of funding					
Motability	-	-	2,500	-	2,500
Marian Elizabeth Trust	-	-	200	-	200
Edward Gostling Foundation	-	-	125	-	125
Good Things Foundation - Power Up	-	-	73	-	73
Good Things Foundation/HMRC	-	-	6	-	6
Other trust/foundation funding	-	-	24	-	24
	-	-	51,054	-	51,054

The government funding departments are detailed within the Financial Review section of the Strategic Report. There are no unfulfilled conditions or other contingencies attached to the grants that have been recognised in income for the year.

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

4. COST OF DELIVERING GRANTS AND SERVICES TO FAMILIES

The direct cost of delivering grants and services to families comprises of staff costs relating to the assessment and processing of grant applications. All costs are paid out of unrestricted funds; with a funds transfer from each funder to settle their share of the costs.

2022: Group and charity	Unrestricted £'000	Designated £'000	Restricted £'000	2022 Total £'000
Siblings Matter Too	-	10	-	10
Transform Our Support	-	639	-	639
Making Voices Heard	-	132	-	132
Head Office	2,158	174	-	2,332
Total charity	2,158	955	-	3,113
Head Office	7	-	-	7
Total group	2,165	955	-	3,120

2021: Group and charity	Unrestricted £'000	Designated £'000	Restricted £'000	2021 Total £'000
Siblings Matter Too	-	10	-	10
Transform Our Support	-	320	-	320
Making Voices Heard	-	115	-	115
Head Office	2,475	110	-	2,585
	2,475	555	-	3,030

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

5. GRANTS AND SERVICES TO FAMILIES

2022: Group and charity	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	2022 Total funds £'000
Grants				
Holidays and Outings	-	4	10,562	10,566
Computers	-	181	6,227	6,408
Recreation/Home Entertainment	-	101	6,164	6,265
White Goods	-	180	3,367	3,547
Other	-	6	2,772	2,778
Furniture	-	9	2,511	2,520
Jet bath	-	1	1,648	1,649
Clothing and Bedding	-	4	1,286	1,290
Hospital Visiting Costs	-	-	590	590
Floorcovering	-	-	140	140
Total grants	-	486	35,267	35,753
Services				
Digital training sessions	124	1	13	138
Tax credit advice	-	-	7	7
Transforming Support	-	2	595	597
	124	489	35,882	36,495
Less discount receivable	-	(29)	(2,752)	(2,781)
	124	460	33,130	33,714

2021: Group and charity	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	2021 Total funds £'000
Grants				
Computers	-	62	13,070	13,132
Recreation/Home Entertainment	-	24	9,455	9,479
Holidays and Outings	-	3	8,986	8,989
White Goods	-	12	5,082	5,094
Furniture	-	13	3,055	3,068
Other	-	8	2,877	2,885
Jet bath	-	4	2,827	2,831
Clothing and Bedding	-	7	2,074	2,081
Hospital Visiting Costs	-	-	605	605
Total grants	-	133	48,031	48,164
Services				
Digital training sessions	186	-	16	202
Tax credit advice	-	-	6	6
Transforming Support	-	-	521	521
	186	133	48,574	48,893
Discretionary grants	-	2	-	2
Less discount receivable	-	(7)	(3,184)	(3,191)
	186	128	45,390	45,704

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

5. GRANTS AND SERVICES TO FAMILIES (continued)

2022: Grants and services analysed by funding stream	Unrestricted £'000	Designated £'000	Restricted £'000	2022 Total £'000
England	-	-	26,432	26,432
Northern Ireland	-	-	1,870	1,870
Scotland	-	-	3,219	3,219
Wales	-	-	568	568
Take a Break Scotland	-	-	1,128	1,128
One Kirklees	-	-	25	25
Marian Elizabeth Trust	-	-	184	184
Your Opportunity	-	66	271	337
Siblings Matter Too	-	51	18	69
Digital Skills/Donated Services	124	1	13	138
Good Things Foundation	-	-	7	7
Motability	-	-	2,147	2,147
McCain	-	369	-	369
Information, Advice and Support	-	2	-	2
	<u>124</u>	<u>489</u>	<u>35,882</u>	<u>36,495</u>

2021: Grants and services analysed by funding stream	Unrestricted £'000	Designated £'000	Restricted £'000	2021 Total £'000
England	-	-	39,360	39,360
Northern Ireland	-	-	1,856	1,856
Scotland	-	-	3,606	3,606
Wales	-	-	477	477
Take a Break Scotland	-	-	765	765
Marian Elizabeth Trust	-	-	256	256
Wales Essentials	-	-	-	-
Motability Tenth Anniversary Trust	-	-	2,027	2,027
Good Things Foundation/ HMRC	-	-	6	6
Edward Gostling Foundation	-	-	157	157
Siblings Matter Too	-	2	12	14
Designated Funds	-	133	-	133
Digital Skills	-	-	16	16
Donated Goods	-	-	36	36
Donated Services	186	-	-	186
	<u>186</u>	<u>135</u>	<u>48,574</u>	<u>48,895</u>

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

5. GRANTS AND SERVICES TO FAMILIES (continued)

2022: Number of Grants/Services	Unrestricted No.	Designated No.	Restricted No.	2022 No.
Grant support:				
England	-	-	71,079	71,079
Northern Ireland	-	-	5,383	5,383
Scotland	-	-	8,026	8,026
Wales	-	-	1,627	1,627
Take a Break Scotland	-	-	5,881	5,881
Siblings Matter Too	-	1,020	368	1,388
Marian Elizabeth Trust	-	-	482	482
Motability	-	-	226	226
Your Opportunity	-	178	681	859
One Kirklees	-	-	82	82
McCain	-	- 1,007	-	1,007
	-	2,205	93,835	96,040
Services:				
Digital training sessions	258	4	186	448
Tax credit advice	-	832	228	1,060
Information, advice and support	-	6,534	50,643	57,177
	258	9,575	144,892	154,725

2021: Number of Grants/Services	Unrestricted No.	Designated No.	Restricted No.	2021 No.
Grant support:				
England	-	-	90,791	90,791
Northern Ireland	-	-	5,426	5,426
Scotland	-	-	8,468	8,468
Wales	-	-	1,301	1,301
Take a Break Scotland	-	-	2,660	2,660
Siblings Matter Too	-	43	247	290
Marian Elizabeth Trust	-	-	646	646
Motability	-	-	184	184
Your Opportunity	-	331	383	714
Connect Scotland – Donated Goods	-	-	57	57
	-	374	110,163	110,537
Services:				
Digital training sessions	333	2	38	373
Tax credit advice	-	1,579	178	1,757
Information, advice and support	-	24,785	11,710	36,495
	333	26,740	122,089	149,162

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

6. SUPPORT COSTS

The breakdown of support costs attributable to the charitable activities of Family Fund are as follows:

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total funds 2022 £'000
2022: Group and charity				
Development and Engagement	469	10	-	479
Governance costs	128	3	-	131
HR costs	281	26	-	307
Finance and office costs	1,067	5	-	1,072
Finance cost – unwinding of pension discount	7	-	-	7
Pension costs – changes to assumptions	(4)	-	-	(4)
Pension costs – amendments to contributions schedule	(481)	-	-	(481)
Depreciation/loss on disposal	17	7	-	24
Total – charity (net of management income)	1,484	51	-	1,535
Management charge	95	-	-	95
Total – group	1,579	51	-	1,630

Management income and charge is the recharge of certain costs from Family Fund to Family Fund Trading Limited, which are eliminated on consolidation.

	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total funds 2021 £'000
2021: Group and charity				
Development and Engagement	460	18	-	478
Governance costs	105	12	-	117
HR costs	294	8	-	302
Finance and office costs	1,119	5	-	1,124
Finance cost – unwinding of pension discount	24	-	-	24
Pension costs – changes to assumptions	42	-	-	42
Pension costs – amendments to contributions schedule	-	-	-	-
Depreciation/loss on disposal	22	7	-	29
Total – charity (net of management income)	2,066	50	-	2,116
Management charge	90	-	-	90
Total – group	2,156	50	-	2,206

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

7. NET INCOME FOR THE YEAR

	2022 £'000	2021 £'000
Net income is stated after charging:		
Depreciation of owned assets	24	31
Loss on disposal of assets	-	94
Finance cost – unwinding of discount	7	24
Rentals under operating leases - land and buildings	206	208
Auditors' remuneration:		
- Fees payable to the charity's auditors for the audit of the charity's annual financial statements	22	20
- Fees payable to the charity's auditors for the audit of the charity's subsidiary	13	11
- Other services – taxation compliance services	3	3
– taxation advisory services	1	14
– other non-audit assurance	4	4

8. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL

The average number of full time equivalent staff employed by the Group during the year was 192 (2021: 179).

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Their aggregate remuneration comprised:				
Wages and salaries	4,914	4,568	3,727	3,493
Social security costs	435	390	368	330
Pension costs	353	314	308	277
	<u>5,702</u>	<u>5,272</u>	<u>4,403</u>	<u>4,100</u>

The number of Group employees whose emoluments, excluding pension contributions and employers' national insurance, but including benefits in kind, were in excess of £60,000 was:

	2022 No.	2021 No.
£60,000 - £70,000	3	2
£70,000 - £80,000	2	2
£120,000 - £130,000	1	1

The key management personnel of the Group are Cheryl Ward (Group Chief Executive), Claire Locker (Group Director of Finance), Louise Wood (Chief Operating Officer), Ben Calverley (Director of Grant Services), Andrew Harper (Director of Partnerships, Public Affairs and Family Outcomes), John Mawson (Group Director of Technology and Digital), Tracy Evans (Group Director of HR and Facilities), Alison Gilbody (Group Director of Fundraising and Comms September 21 – March 22) and Jill Wheeler (Managing Director of Family Fund Business Services – resigned Apr 22). The total remuneration (including pension contributions and employers' national insurance) of the key management personnel for the year totalled £702k (2021: £676k).

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

8. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES, AND THE COST OF KEY MANAGEMENT PERSONNEL (continued)

Trustees' Remuneration

No trustees received remuneration during the current or prior year. Total travel and subsistence expenses of £3,721.07 (2021: £ nil) were paid to 12 trustees (2021: 12 trustees). No trustee received payment for professional or other services supplied to the charity (2021: £nil).

9. TANGIBLE ASSETS

Group	Leasehold improvements £'000	Furniture and equipment £'000	Computer equipment and software £'000	Total £'000
Cost				
At 1 April 2021	172	19	296	487
Additions	-	-	207	207
Disposals	-	(2)	(36)	(38)
At 31 March 2022	172	17	467	656
Accumulated depreciation				
At 1 April 2021	77	8	279	364
Charge for the year	11	3	12	26
Disposals	-	(2)	(36)	(38)
At 31 March 2022	88	9	255	352
Net book value				
At 31 March 2022	84	8	212	304
At 31 March 2021	95	11	17	123
Charity				
	Leasehold improvements £'000	Furniture and equipment £'000	Computer equipment and software £'000	Total £'000
Cost				
At 1 April 2021	172	19	189	380
Additions	-	-	207	207
Disposals	-	(2)	(36)	(38)
At 31 March 2022	172	17	360	549
Accumulated depreciation				
At 1 April 2021	77	8	174	259
Charge for the year	11	3	10	24
Disposals	-	(2)	(36)	(38)
At 31 March 2022	88	9	148	245
Net book value				
At 31 March 2022	84	8	212	304
At 31 March 2021	95	11	15	121

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

10. FIXED ASSET INVESTMENTS

Charity	2022 £	2021 £
Cost		
At 1 April and 31 March	1	1

The company owns the entire issued ordinary share capital of Family Fund Trading Limited, a company incorporated and registered in England and Wales (company number 06293129), whose registered office address is Unit 4, Alpha Court, Monks Cross Drive, Huntington, York, YO32 9WN. Family Fund Trading's principal activity is to work with its parent undertaking to find new ways to support and make a difference to all families that care for a disabled child or young person.

The result of Family Fund's trading activities through its subsidiary undertaking is detailed below. Family Fund Trading Limited's taxable profits are generally donated to the charity annually.

	2022 £'000	2021 £'000
Turnover	5,031	3,864
Cost of sales	(644)	(553)
Gross profit	4,387	3,311
Administrative expenses	(1,571)	(1,384)
Operating profit	2,816	1,927
Finance income (net) - interest receivable	1	2
Profit before taxation	2,817	1,929
Gift aid distribution	-	(1,929)
Tax on profit	-	-
Retained profit for the year	2,817	-

The aggregate of the assets and liabilities was:	2022 £'000	2021 £'000
Fixed assets	-	2
Current assets	7,023	7,533
Current liabilities	(6,154)	(7,534)
Net assets	869	1

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

11. DEBTORS

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Trade debtors	3,449	3,854	-	-
Amounts owed by subsidiary undertaking	-	-	81	1,695
Prepayments and accrued income	3,647	1,742	1,936	974
	<u>7,096</u>	<u>5,596</u>	<u>2,017</u>	<u>2,669</u>

12. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Cash in hand	19,561	22,900	17,698	19,957
Notice deposits (more than 3 months)	1,500	-	1,500	-
Total cash and cash equivalents	<u>21,061</u>	<u>22,900</u>	<u>19,198</u>	<u>19,957</u>

13. CREDITORS: Amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Accruals for grants payable	11,003	11,390	11,003	11,390
Trade creditors	4,449	4,656	147	180
Deferred income	150	2,337	-	2,186
Other taxation and social security	487	611	137	100
Other creditors	1,386	799	115	66
	<u>17,475</u>	<u>19,793</u>	<u>11,402</u>	<u>13,922</u>

Deferred income	Group		Charity	
	2022	2021	2022	2021
	£'000	£'000	£'000	£'000
Brought forward	2,337	136	2,186	-
Released in the year	(2,337)	(136)	(2,186)	-
Deferred in the year	150	2,337	-	2,186
	<u>150</u>	<u>2,337</u>	<u>-</u>	<u>2,186</u>

Deferred income for the trading subsidiary comprises of fees for using the company's online fulfilment portal as well as treasury management fee income, which are invoiced to customers in March 2022, but relate to the financial year April 2022 to March 2023.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

14. POST-EMPLOYMENT BENEFITS

Defined benefit schemes

TPT Retirement Solutions – Scottish Voluntary Sector Pension Scheme (SVSPS)

The charity participates in the scheme, a multi-employer scheme which provides benefits to around 90 non-associated employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

TPT Retirement Solutions – The Growth Plan

The charity participates in the scheme, a multi-employer scheme which provides benefits to some 930 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the charity to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The schemes are both classified as a 'last-man standing arrangement'. Therefore the charity is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

Summary of defined benefit pension schemes

The total movement in the year on the defined benefit pension schemes is shown in the table below:

	SVSPS	Growth	Total
	£'000	Plan	2022
		£'000	£'000
Pension liability at 1 April 2021	909	26	935
Deficit contributions paid in the year	(158)	(7)	(165)
Finance cost - unwinding of pension discount	7	-	7
Pension cost - changes to assumptions	(4)	-	(4)
Pension cost - changes to contribution schedule	(466)	(15)	(481)
Pension liability at 31 March 2022	288	4	292

	SVSPS	Growth	Total
	£'000	Plan	2021
		£'000	£'000
Pension liability at 1 April 2020	998	31	1,029
Deficit contributions paid in the year	(153)	(7)	(160)
Finance cost - unwinding of pension discount	23	1	24
Pension cost - changes to assumptions	41	1	42
Pension cost - changes to contribution schedule	-	-	-
Pension liability at 31 March 2021	909	26	935

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

14. POST-EMPLOYMENT BENEFITS (continued)

Deficit contributions – The Scottish Voluntary Pension Scheme

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed total scheme assets of £153.3 million, liabilities of £159.9 million and a deficit of £6.6 million. To eliminate this funding shortfall, the Scheme Trustee asked the participating employers to pay additional contributions to the scheme. Family Fund's contributions to the scheme from 1 April 2022 to 31 May 2024 are £133,601 plus scheme expenses of £22,662 per annum; increasing by 3% each year on 1 April.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the scheme liabilities.

Deficit contributions – The Growth Plan

A full actuarial valuation for the scheme was carried out at 30 September 2020. This valuation showed total scheme assets of £799 million, liabilities of £832 million and a deficit of £33 million. To eliminate this funding shortfall, the Scheme Trustee has asked the participating employers to pay additional contributions to the scheme. Family Fund's contributions to the scheme from 1 April 2022 to 31 January 2025 are £1,697 plus scheme expenses of £1,897 per annum; increasing by 3% each year on 1 April.

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities.

Where either or both of the schemes are in deficit and where the charity has agreed to a deficit funding arrangement, the charity recognises a liability for this obligation. The amount recognised is the net present value of the deficit contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

Present values of provisions

	31 March 2022 £'000	31 March 2021 £'000
Scottish Voluntary Pension Scheme	288	909
Growth Plan	4	26

Statement of Financial Activities impact

As at 31 March 2022	SVSPS £'000	Growth Plan £'000
Finance cost	7	-
Remeasurements – impact of any change in assumptions	(4)	-
Remeasurements – amendments to the contribution schedule	(466)	(15)

As at 31 March 2021	SVSPS £'000	Growth Plan £'000
Finance cost	23	1
Remeasurements – impact of any change in assumptions	41	1
Remeasurements – amendments to the contribution schedule	-	-

Assumptions

	31 March 2022 % per annum	31 March 2021 % per annum
Rate of discount – SVSPS	2.30	0.86
Rate of discount – Growth Plan	2.35	0.66

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

14. POST-EMPLOYMENT BENEFITS (continued)

Summary of defined benefit pension schemes (continued)

The discount rates shown above are the equivalent single discount rates which, when used to discount the future recovery plan contributions due, would give the same results as using a full AA corporate bond yield curve to discount the same recovery plan contributions.

The charity must recognise a liability measured as the present value of the contributions payable that arise from the deficit recovery agreement and the resulting expense in the Statement of Financial Activities i.e. the unwinding of the discount rate as a finance cost in the financial year in which it arises.

It is these contributions that have been used to derive the charity's balance sheet liability.

Defined contribution scheme

Family Fund offers a defined contribution Group Personal Pension Plan administered by Scottish Widows. This scheme is funded by contributions from employees and the charity/trading subsidiary as employer. Family Fund's contribution to the Group Personal Pension Plan in the year was £267,290 (2021: £242,383). Fund contributions due to the scheme as at 31 March 2022 were £45,518 (2021: £ nil).

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

15. MOVEMENT ON FUNDS

	At 1 April 2021	Income	Expenditure (including taxation)	Transfers	At 31 March 2022
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds:					
General fund	2,366	2,498	(3,766)	1,650	2,748
Unrestricted funds total	2,366	2,498	(3,766)	1,650	2,748
Designated funds:					
Grants processing system	516	-	(263)	-	253
Siblings Matter Too	109	-	(61)	77	125
Depreciation	-	-	200	(200)	-
Transform our support	529	-	(648)	924	805
Secure our future	360	-	(253)	499	606
Make voices heard	184	-	(142)	190	232
Matched funding (Your Opportunity)	137	-	(78)	100	159
"We are family" grant scheme	300	-	(451)	300	149
Digital Transformation	-	-	-	373	373
Wales Essentials	-	-	-	300	300
New Working Model	-	-	-	95	95
Designated funds total	2,135	-	(1,696)	2,658	3,097
Restricted fund:					
England	2,084	27,329	(24,132)	(3,187)	2,094
Northern Ireland	28	2,072	(1,751)	(299)	50
Scotland	57	3,474	(2,955)	(496)	80
Wales	29	590	(532)	(56)	31
Take a Break Scotland	-	1,245	(1,128)	(117)	-
Good Things Foundation/HMRC	-	7	(7)	-	-
Marian Elizabeth Trust	76	200	(166)	(30)	80
One Kirklees	-	25	(23)	(1)	1
Edward Gostling Foundation	39	275	(88)	(15)	211
Motability	937	1,500	(2,146)	(53)	238
Good Things Foundation/Power Up	26	18	(12)	(16)	16
Other trust/foundation funding	35	33	(21)	-	47
Pears Foundation	-	250	(169)	(37)	44
Restricted donations	14	18	-	(1)	31
Restricted funds total	3,325	37,036	(33,130)	(4,308)	2,923
Endowment fund:					
The Ted Gostling Fund	-	1,000	-	-	1,000
Endowment funds total	-	1,000	-	-	1,000
Total charity funds	7,826	40,534	(38,592)	-	9,768
Unrestricted funds:					
Family Fund Trading Limited	1	3,083	(2,215)	-	869
Total group funds	7,827	43,617	(40,807)	-	10,637

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

15. MOVEMENT ON FUNDS (continued)

Restricted funding is to be used in providing support in the form of grants, goods and services to assist families, parents and others with parental responsibilities in the United Kingdom caring for severely disabled children living at home.

The Discretionary Fund is maintained for voluntary donations received and is used to help us further break down the barriers and ease the additional pressures that families face; making life easier and improving the well-being of parents and carers.

Transfers from restricted funds represent:

- each programme's share of support costs and the cost of delivering grants and services to families.

Designated funds are to be used:

- to improve the ICT infrastructure in order to enhance service delivery to families;
- to provide direct grant support, services and information provision to families; and
- to deliver Family Fund's strategy, including investment in targeted fundraising activities.

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

15. MOVEMENT ON FUNDS (continued)

PRIOR YEAR MOVEMENT ON FUNDS

	At 1 April 2020	Income	Expenditure (including taxation)	Transfers	At 31 March 2021
	£'000	£'000	£'000	£'000	£'000
Unrestricted funds:					
Discretionary fund	226	67	-	95	388
General fund	763	2,261	(4,723)	3,677	1,978
Unrestricted funds total	989	2,328	(4,723)	3,772	2,366
Designated funds:					
Grants processing system	140	-	(24)	400	516
Siblings Matter Too	121	-	(12)	-	109
Depreciation	-	-	(100)	100	-
Transform our support	551	-	(320)	298	529
Secure our future	241	-	(192)	311	360
Make voices heard	242	-	(133)	75	184
Matched funding (Your Opportunity)	173	-	(136)	100	137
“We are family” grant scheme	-	-	-	300	300
Designated funds total	1,468	-	(917)	1,584	2,135
Restricted fund:					
England	2,041	40,839	(36,583)	(4,213)	2,084
Northern Ireland	23	2,053	(1,755)	(293)	28
Scotland	23	3,855	(3,353)	(468)	57
Wales	26	518	(456)	(59)	29
Take a Break Scotland	-	878	(765)	(113)	-
Good Things Foundation/HMRC	-	6	(6)	-	-
Marian Elizabeth Trust	139	200	(233)	(30)	76
Edward Gostling Foundation	74	125	(149)	(11)	39
Motability Tenth Anniversary Trust	103	-	83	(186)	-
Motability	446	2,500	(2,110)	101	937
Good Things Foundation/Power Up	21	73	(16)	(52)	26
Connect Scotland	-	36	(36)	-	-
Other trust/foundation funding	15	26	(11)	5	35
McCain Foods	-	30	-	(30)	-
Restricted donations	20	1	-	(7)	14
Restricted funds total	2,931	51,140	(45,390)	(5,356)	3,325
Total charity funds	5,388	53,468	(51,030)	-	7,826
Unrestricted funds:					
Family Fund Trading Limited	1	1,929	(1,929)	-	1
Total group funds	5,389	55,397	(52,959)	-	7,827

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

15. MOVEMENT ON FUNDS (continued)

PRIOR YEAR MOVEMENT ON FUNDS (continued)

Restricted funding is to be used in providing support in the form of grants, goods and services to assist families, parents and others with parental responsibilities in the United Kingdom caring for severely disabled children living at home.

The Discretionary Fund is maintained for voluntary donations received and is used to help us further break down the barriers and ease the additional pressures that families face; making life easier and improving the well-being of parents and carers.

Transfers from restricted funds represent:

- each programme's share of support costs and the cost of delivering grants and services to families.

Designated funds are to be used:

- to improve the ICT infrastructure in order to enhance service delivery to families;
- to provide direct grant support, services and information provision to families; and
- to deliver Family Fund's five year strategy (2017-2022), including investment in targeted fundraising activities.

16. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

Group	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total £'000
Tangible fixed assets	304	-	-	-	304
Current assets	10,101	3,267	13,789	1,000	28,157
Current liabilities	(6,439)	(170)	(10,866)	-	(17,475)
Lease provision	(57)	-	-	-	(57)
Defined benefit pension scheme liability	(292)	-	-	-	(292)
At 31 March 2022	3,617	3,097	2,923	1,000	10,637

Charity	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Endowment funds £'000	Total £'000
Tangible fixed assets	304	-	-	-	304
Current assets	3,159	3,267	13,789	1,000	21,215
Current liabilities	(366)	(170)	(10,866)	-	(11,402)
Lease provision	(57)	-	-	-	(57)
Defined benefit pension scheme liability	(292)	-	-	-	(292)
At 31 March 2022	2,748	3,097	2,923	1,000	9,768

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

16. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS (continued)

PRIOR YEAR ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

Group	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total £'000
Tangible fixed assets	123	-	-	123
Current assets	9,370	2,189	16,937	28,464
Current liabilities	(6,127)	(54)	(13,612)	(19,761)
Lease provision	(64)	-	-	(64)
Defined benefit pension scheme liability	(935)	-	-	(935)
At 31 March 2021	2,367	2,135	3,325	7,827

Charity	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total £'000
Tangible fixed assets	121	-	-	121
Current assets	3,500	2,189	16,937	22,626
Current liabilities	(256)	(54)	(13,612)	(13,922)
Lease provision	(64)	-	-	(64)
Defined benefit pension scheme liability	(935)	-	-	(935)
At 31 March 2021	2,366	2,135	3,325	7,826

17. OPERATING LEASING COMMITMENTS

The total future minimum lease payments under non-cancellable operating leases are:

	2022 Land and buildings £'000	2021 Land and buildings £'000
Group and Charity		
- within one year	206	206
- between one and five years	825	825
- more than 5 years	615	820
	1,646	1,851

18. RELATED PARTY TRANSACTIONS

The group has taken advantage of the exemption available under the Charities SORP that permits non-disclosure of individual unconditional donations from trustees and wholly-owned group undertakings.

The only transactions with the company's subsidiary are a management charge of £95,000 (2021: £90,000), head office costs of £7,000 (2021: nil) from Family Fund to Family Fund Trading Limited, and the gift aid distribution from Family Fund Trading Limited of £1.93 million. At the year end, the balance outstanding owed from the subsidiary to the company was £81,000. All transactions between Family Fund and Family Fund Trading Limited are eliminated on consolidation.

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

There are no other related party transactions.

For key management personnel and trustees' remuneration see Note 8.

19. RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Unrestricted 2022 £'000	Designated 2022 £'000	Restricted 2022 £'000	Endowment 2022 £'000	Total 2022 £'000
Net income for the reporting period	1,250	962	(402)	1,000	2,810
Adjustments for:					
Interest receivable	(11)	-	(7)	-	(18)
Depreciation charges	26	-	-	-	26
(Increase)/decrease in debtors	(559)	(8)	67	(1,000)	(1,500)
Increase/(decrease) in creditors	312	116	(2,746)	-	(2,318)
Decrease in pension provision	(643)	-	-	-	(643)
Decrease in lease provision	(7)	-	-	-	(7)
Net cash provided by/(used in) operating activities	368	1,070	(3,088)	-	(1,650)

PRIOR YEAR RECONCILIATION OF NET INCOME TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Unrestricted 2021 £'000	Designated 2021 £'000	Restricted 2021 £'000	Total 2021 £'000
Net income for the reporting period	1,377	667	394	2,438
Adjustments for:				
Interest receivable	(10)	-	(19)	(29)
Depreciation charges on disposal	125	-	-	125
(Increase)/decrease in debtors	(2,613)	5	(222)	(2,798)
Increase/(decrease) in creditors	3,308	(5)	6,956	10,227
Decrease in pension provision	(94)	-	-	(94)
Increase in lease provision	7	-	-	7
Net cash provided by operating activities	2,100	667	7,109	9,876

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

20. PRIOR YEAR CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total funds 2021 £'000	Total funds 2020 £'000
INCOME FROM:						
Charitable activities						
Funding for grants and services	3	-	-	51,054	51,054	33,900
Other income		-	-	30	30	-
Donations, Gift Aid and fundraising		391	-	37	428	156
		391	-	51,121	51,512	34,056
Other trading activities						
Trading income		3,864	-	-	3,864	2,816
Investments						
Interest receivable		10	-	19	29	102
TOTAL INCOME		4,265	-	51,140	55,405	36,974
EXPENDITURE ON:						
Cost of delivering grants and services to families	4	(2,475)	(555)	-	(3,030)	(2,333)
Grants and services to families	5	(186)	(133)	(48,574)	(48,893)	(32,557)
Discretionary grants	5	-	(2)	-	(2)	(50)
Less discounts receivable	5	-	7	3,184	3,191	2,825
Support costs	6	(2,156)	(50)	-	(2,206)	(2,093)
		(4,817)	(733)	(45,390)	(50,940)	(34,208)
Raising funds						
Trading costs		(1,843)	-	-	(1,843)	(1,567)
Fundraising costs		-	(184)	-	(184)	(158)
TOTAL EXPENDITURE		(6,660)	(917)	(45,390)	(52,967)	(35,933)
Net (expense)/income before tax		(2,395)	(917)	5,750	2,438	1,041
Taxation		-	-	-	-	-
Net (expense)/income for the year		(2,395)	(917)	5,750	2,438	1,041
Transfer between funds	15	3,772	1,584	(5,356)	-	-
Net movement in funds		1,377	667	394	2,438	1,041
Reconciliation of funds:						
Total funds brought forward		990	1,468	2,931	5,389	4,348
Net movement in funds for the year		1,377	667	394	2,438	1,041
Total funds carried forward	15	2,367	2,135	3,325	7,827	5,389

FAMILY FUND TRUST

NOTES TO THE FINANCIAL STATEMENTS (continued)

Year ended 31 March 2022

21. PRIOR YEAR CHARITY STATEMENT OF FINANCIAL ACTIVITIES

	Note	Unrestricted funds £'000	Designated funds £'000	Restricted funds £'000	Total funds 2021 £'000	Total funds 2020 £'000
INCOME FROM:						
Charitable activities						
Funding for grants and services	3	-	-	51,054	51,054	33,900
Other income		-	-	30	30	-
Donations, Gift Aid and fundraising		2,320	-	37	2,357	2,076
		<u>2,320</u>	<u>-</u>	<u>51,121</u>	<u>53,441</u>	<u>35,976</u>
Investments						
Interest receivable		8	-	19	27	91
		<u>8</u>	<u>-</u>	<u>19</u>	<u>27</u>	<u>91</u>
TOTAL INCOME		<u>2,328</u>	<u>-</u>	<u>51,140</u>	<u>53,468</u>	<u>36,067</u>
EXPENDITURE ON:						
Cost of delivering grants and services to families	4	(2,471)	(555)	-	(3,026)	(2,330)
Grants and services to families	5	(186)	(133)	(48,574)	(48,893)	(32,557)
Discretionary grants	5	-	(2)	-	(2)	(50)
Less discounts receivable	5	-	7	3,184	3,191	2,825
Support costs	6	(2,066)	(50)	-	(2,116)	(2,008)
		<u>(4,723)</u>	<u>(733)</u>	<u>(45,390)</u>	<u>(50,846)</u>	<u>(34,120)</u>
Raising funds						
Fundraising costs		-	(184)	-	(184)	(158)
		<u>-</u>	<u>(184)</u>	<u>-</u>	<u>(184)</u>	<u>(158)</u>
TOTAL EXPENDITURE		<u>(4,723)</u>	<u>(917)</u>	<u>(45,390)</u>	<u>(51,030)</u>	<u>(34,278)</u>
Net (expense)/income for the year		<u>(2,395)</u>	<u>(917)</u>	<u>5,750</u>	<u>2,438</u>	<u>1,789</u>
Transfer between funds	15	3,772	1,584	(5,356)	-	-
		<u>3,772</u>	<u>1,584</u>	<u>(5,356)</u>	<u>-</u>	<u>-</u>
Net movement in funds		<u>1,377</u>	<u>667</u>	<u>394</u>	<u>2,438</u>	<u>1,789</u>
Reconciliation of funds:						
Total funds brought forward		989	1,468	2,931	5,388	3,599
Net movement in funds for the year		1,377	667	394	2,438	1,789
		<u>1,377</u>	<u>667</u>	<u>394</u>	<u>2,438</u>	<u>1,789</u>
Total funds carried forward	15	<u>2,366</u>	<u>2,135</u>	<u>3,325</u>	<u>7,826</u>	<u>5,388</u>

FAMILY FUND TRUST

OFFICERS AND PROFESSIONAL ADVISERS

TRUSTEES AND OFFICERS

Neil Scott - Chair
David Braybrook – Vice Chair
David Lewis (resigned 17 September 2021)
Grant Macrae (retired at end of term on 20 September 2021)
Geoff Linnell (retired at end of term on 20 September 2021)
Tara Palmer (retired at end of term on 20 September 2021)
Mary Bishop
Kate Fleck
Jonathan Evans
Gareth Lambert
Andrew Piper
Neil Ashton
Modaser Choudhary (appointed 20 September 2021)
Shona Elliott (appointed 20 September 2021)
Marguerite Haye (appointed 20 September 2021)
Emma Pinnock (appointed 20 September 2021)

FINANCE, AUDIT AND RISK COMMITTEE

Gareth Lambert - Chair
David Braybrook
Modaser Choudhary
Andrew Piper

REWARD AND NOMINATIONS COMMITTEE

Jonathan Evans - Chair
David Braybrook
Neil Scott
Mary Bishop

SAFEGUARDING COMMITTEE

Kate Fleck – Chair
Marguerite Haye
Emma Pinnock

FAMILY FUND TRADING DIRECTORS

Heath Thomas – Chair
Mark Dundon – Vice Chair (retired at end of term on 17 March 2022)
Cheryl Ward
Jill Wheeler (resigned 30 April 2022)
Claire Locker
Geoff Linnell (retired at end of term on 15 September 2021)
Joanna Lund
David Lewis (retired at end of term on 15 September 2021)
Neil Ashton (appointed 15 December 2021)
Shona Elliott (appointed 1 December 2021)

FAMILY FUND TRUST

OFFICERS AND PROFESSIONAL ADVISERS (continued)

PRINCIPAL OFFICERS

Cheryl Ward – Group Chief Executive
Claire Locker – Group Director of Finance and Company Secretary
Louise Wood – Chief Operating Officer
Ben Calverley – Director of Grant Services
John Mawson – Group Director of Technology and Digital
Andrew Harper – Director of Partnerships, Public Affairs and Family Outcomes
Tracy Evans – Group Director of HR & Facilities
Jill Wheeler – Managing Director, Family Fund Trading (resigned 30 April 2022)
Phil Henderson – Director of Family Fund Business Services (appointed 9 June 2022)

BANKERS

National Westminster Bank Plc
1 Market Street
York
YO1 8SR

SOLICITORS

Rollits LLP
Forsyth House
Alpha Court
Monks Cross
York
YO32 9WN

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Central Square
29 Wellington Street
Leeds
LS1 4DL

REGISTERED OFFICE

4 Alpha Court
Monks Cross Drive
Huntington
York
YO32 9WN