

HOME-START UK

England & Wales · Charity number 1108837

Details

Other names	HOME-START CONSULTANCY, HOME-START
Status	Registered
Legal form	Charitable company
Company number	05382181
Registered	2005-04-04
Register	View on the Charity Commission register

Contact

Address	Clarence House 46 Humberstone Gate Leicester LE1 3PJ
Phone	01164645490
Email	info@home-start.org.uk
Website	www.home-start.org.uk

Activities

Objects: THE RELIEF OF CHILDREN OR PARENTS IN DESPAIR AND DISTRESS AND THE PREVENTION OF EMOTIONAL AND PHYSICAL ABUSE OF SUCH CHILDRENANY OTHER CHARITABLE PURPOSE

Activities: Home-Start offers informal and friendly support to families with young children, providing a lifeline to thousands of parents and children in around 300 communities across the UK, and with forces families in Germany and Cyprus.Support is free, confidential and non-judgemental, and the quality of this is maintained with local schemes working to national standards.

Classification

- **How:** Provides Advocacy/advice/information, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, Other Charitable Purposes
- **Who:** Children/young People, People With Disabilities

Geography

- Northern Ireland
- Scotland
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£5,242,050	£4,475,967	£2,735,966	50
2024-03-31	£3,847,411	£3,880,226	£2,070,636	50
2023-03-31	£3,837,413	£5,916,020	£1,870,772	53
2022-03-31	£4,946,397	£4,921,887	£3,996,784	37
2021-03-31	£7,003,548	£5,218,183	£3,827,181	29

Trustees

Name	Role	Appointed
Lin Hinnigan	Chair	2021-09-14
Euan Wilmshurst		2024-03-20
Faiza Waheed		2024-03-20
Gyongyi Siffel		2021-12-08
Raymond Ayivor		2021-12-08
Sarah Duxbury		2024-03-20
Tara Spence		2024-03-20

HOME-START UK

England & Wales - Charity number 1108837

Accounts



Home-Start UK

**Annual report and group financial statements
For the year ended 31st March 2025**

Home-Start UK
Clarence House
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Leicester
LE1 3PJ

t. 0116 464 5490
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Home-Start UK, a company limited by guarantee, company no. 5382181
Registered charity England and Wales (1108837) and in Scotland (SC039172)



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Introduction from the Chair Lin Hinnigan

It is a privilege to introduce Home-Start UK's Annual Report for 2024–25. This has been a year of growth, learning, and steadfast commitment to our mission: supporting families when they need it most. Across the country, our network of local Home-Starts has supported 58,938 families and 76,750 children, offering practical help, emotional support, and the reassurance that no parent should feel alone in raising their children.

At the heart of everything we do is the *Together with Families* strategic framework 2022–2027, guiding us to deliver on four shared commitments: Growth, Voice, Inclusion, and Impact. Our ambition is clear: to reach more families, strengthen the capacity of our network, increase diversity, and build a resilient, sustainable Home-Start movement that is ready for the challenges ahead.

This year has seen significant developments in national policy and funding, including the Government's new *Best Start for Life* strategy and the roll-out of Family Hubs, which create new opportunities for Home-Start to strengthen its role in local communities. Our trusted relationships with families and deep experience in community-led support position us well to influence local partnerships and expand our impact.

At the same time, some local Home-Starts continue to face significant pressures; financial, governance, and leadership challenges, as well as the very real impact of volunteer and staff burnout. These difficulties require careful support and strategic intervention to ensure that every Home-Start can continue to thrive, deliver high-quality services, and remain a trusted part of its community.

This year has also seen significant investment in the future of our movement. Strategic partnerships with the Pears Foundation, Cadent, SGN, People's Postcode Lottery and John Lewis Partnership are expanding volunteer support, funding local services, and ensuring families facing disadvantage receive practical help. I want to thank our '*mission partners*' who have engaged in these collaborations and place their confidence in Home-Start and our ability to deliver impact at scale.

Our commitment to learning, development, and organisational excellence continues to bear fruit. The launch of our Learning Management System and our ongoing investment in volunteer and staff training are enhancing skills, accessibility, and the reach of our work. Achievements such as Investors in People Silver accreditation and recognition through national awards are a tribute to the dedication and expertise of our people and volunteers.

This year has offered opportunities for celebration, including our volunteer awards ceremony and a Gala Dinner at the BT Tower. From inspiring volunteer-led initiatives to the launch of national programmes, our network continues to demonstrate creativity, resilience, and compassion. At the end of the year, we said goodbye to our CEO Peter Grigg who led Home Start for 5 years, epitomising the values of the movement through his passionate and empathetic leadership. The trustees would like to thank him for his immense contribution. We would also like to thank Vivien Waterfield who stepped in as interim CEO and, with the support of the senior team and all HSUK staff, ensured not only stability but continued momentum with our work.

As we move into the next phase of our development with new Co-CEOs, Natalie Acton and Jodie Reed we will build on our successes, and remain focused on our vision that no parent feels alone.

Together, we are building a stronger, more inclusive, and sustainable Home-Start, one where families are supported, volunteers are valued, and our collective impact grows year on year.

Lin Hinnigan

Reference and administrative information

Company number	England and Wales: 5382181	
Charity number	England and Wales: 1108837, Scotland: SC039172	
Registered office	Clarence House, 46 Humberstone Gate, Leicester, LE1 3PJ	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	Bushra Ahmed	Resigned 4 th July 2024
	Ray Ayivor (Treasurer)	
	Sheena Bolland	Retired 20 th June 2025
	Barbara Firth	Retired 4 th October 2024
	Lin Hinnigan (Chair)	
	Pearly Siffel	
	Tara Spence	
	Euan Wilmshurst	
	Faiza Waheed	
	Sarah Duxbury	
	Christine Chapman	Resigned 22 nd June 2025
Key Management Personnel	Jodie Reed	Co-Chief Executive
	Natalie Acton	Co-Chief Executive
	Vivien Waterfield CBE	Deputy Chief Executive
Bankers	National Westminster Bank plc 1 Granby Street Leicester, LE1 6EJ	
Solicitors	Farrer & Co LLP 66 Lincoln's Inn Fields, London, WC2A 3LH	
Auditor	Price Bailey LLP Chartered Accountants and Statutory Auditor Tennyson House, Cambridge Business Park, Cambridge, CB4 0WZ	
Patron	HRH Princess Alexandra, The Hon Lady Ogilvy, KG, GCVO	
Founder	Margaret Harrison CBE (1938-2015)	
Honorary President	James Sainsbury OBE	
Vice President	Alastair Stewart OBE	

Trustees' annual report

The board of trustees presents its report and the audited financial statements for the year ended 31 March 2025. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the requirements of a directors' report as laid down by company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Purpose

Home-Start was set up in 1973 with its charitable objects as set out with the Charity Commission, for the relief of children or parents in despair and distress and the prevention of emotional, physical and mental abuse of such children.

Home-Start's collective ambition as a federation is to ensure that more parents can receive relational compassionate support at the earliest moment so that no parent or family feels alone in the critical task of raising their children.

Home-Start believes that children need a happy and secure childhood and that parents play the key role in giving their children a good start in life and helping them achieve their full potential.

Our story

A child's earliest years are irreplaceable. Without a stable, loving and nurturing environment, a very young child will not develop the vital foundations they need.

Home-Start is there for parents when they need us the most, because **childhood can't wait**.

Our local community network of trained volunteers and expert support helps families with young children through their challenging times.

Why we do it

The earliest years make the biggest impact. Home-Start makes sure those years count so that no child's future is limited.

How we do it

Home-Start UK (HSUK) is the national body at the centre of a federated network of Local Home-Starts across the four nations. HSUK maintains strong relationships with all Local Home-Starts (collectively, "the Network") and provides guidance, learning opportunities, and resources to help them deliver effective support to children and families in their communities. As the lead body, HSUK sets the quality standards for the Network, oversees the Home-Start Handbook, and ensures that all members of the federation uphold the high standards associated with the Home-Start brand.

The network of Local Home-Start's offers no judgement, just compassionate, confidential help and support. Starting in the home, our approach is as individual as the people we're helping. Today and every day, in communities up and down the UK, Home-Start volunteers are working alongside families, helping them to change their lives for the better, offering practical help, emotional support, and a listening ear, helping parents feel less alone and more confident in their role.

This year, more families than ever have reached out to us, seeking support with some of life's biggest challenges: looking after their own mental health and wellbeing, overcoming loneliness and isolation, building strong, nurturing relationships with their children, and managing financial pressures at home. Through our network, families find not just practical help, but the reassurance, guidance, and hope they need to thrive

Together with Families: Our Strategic Framework 2022–2027

In May 2022, Home-Start launched **Together with Families**, our first-ever network-wide Strategic Framework for 2022–2027. This framework is more than a plan, it is a shared vision for our federated network, ensuring that Home-Start UK's priorities reflect the needs of families while empowering local Home-Starts to adapt these priorities to the unique strengths and challenges of their own communities.

At the heart of this framework are four strategic commitments, shaped by our passionate movement of volunteers, staff, and supporters, and rooted in the realities of families' lives:

GROWTH – We are determined to reach significantly more families, ensuring that every parent with young children can access support in ways that work for them. Whether through home visits in rural communities, group work in bustling cities, or digital support for those unable to leave their homes, we are expanding our reach, so no family has to struggle alone.

VOICE – Home-Start stands alongside families to make their needs heard. By advocating for early support and sharing the lived experiences of parents and children, we help prevent crises before they happen, ensuring that families can thrive with dignity and confidence.

INCLUSION – Inclusion and equity are at the core of who we are. Home-Start is a place where everyone feels welcomed—parents, children, volunteers, staff, and trustees. We are committed to growing the diversity of our people so that our teams and leadership reflect the communities we serve, and so that our support reaches those most in need, regardless of background or circumstance.

IMPACT – Collaboration makes us stronger. By fostering a connected network of local Home-Starts, we create a resilient, UK-wide community of high-quality support. Together, we share learning, best practice, and innovation, ensuring every family experiences the best possible care.

By 2027, we aim to:

- **Work directly with 50,000 families** each year through home visiting and group support, responding to the real-life challenges families face.
- **Mobilise 20,000 active volunteers**, whose dedication powers the Home-Start movement across the UK.
- **Increase diversity across our volunteers, trustees, staff, and leadership**, ensuring our movement represents and reflects the communities we serve.
- **Innovate and scale our services**, developing new models of partnership, delivery, and support with the potential to reach 200,000 families nationally.

Key Achievements 2024–25

In communities right across the UK, from Cornwall to Orkney and from Enniskillen to Norfolk, Home-Starts are working with **58,938 families** and **76,750 children**.

Over the past four years, Home-Start has increased the number of families we support by over 20,000. Home-visiting outreach support remains the core of the service that Home-Starts provide to families. Last year **19,520 families received home-visiting support**.

The needs of each community are different, but across the UK, over half of families we support are struggling with their mental health, 30% are facing challenges with debt and finance, and 23% have challenges with disability. 13% of families Home-Starts support live in unsuitable housing.

Home-Starts adapt their services to reflect the different challenges families face in their communities. The result is that over 90% of parents supported by Home-Start report that they achieve or partially achieve improvements in their ability to cope with loneliness and isolation, in their confidence and self-esteem, and in their ability to cope with adult mental health issues.

94% of parents say that they achieve or partially achieve improvements in how involved they are with their children's development and early learning.

The work that Home-Starts do with families – whether that is outreach work in people's homes, or by bringing families together, builds connections, reduces isolation and strengthens communities.

We are grateful for the remarkable support of our partners and funders, who have allowed Home-Start UK to extend our reach, strengthen our network, and invest in the people who make our work possible:

Partnerships and Funding

Pears Foundation - We are delighted that the next phase of funding from the Pears Foundation will enable us to make a significant step forward in volunteer transformation. An investment of £750k over two years will focus on recruitment, training, and the ongoing support of volunteers and volunteer managers, recognising the vital role they play in delivering high-quality family support. This initiative will allow us to test and learn from new models and approaches, building the capacity of our local teams to meet growing demand.

Cadent Partnership - Our *Warm Spaces* partnership with Cadent continues to thrive, with a £700k commitment, which includes grants to 64 Home-Starts. This funding will directly support families facing fuel poverty and other challenges, helping ensure children and parents have safe, warm, and secure homes. To mark the partnership, we launched a Cadent cookbook with all proceeds going to Home-Start, reinforcing the practical and tangible ways our supporters help families.

SGN Partnership - A £1.5m two-year partnership with SGN went live this year, offering annual grants to 37 Home-Starts in the SGN region. This funding supports core work while also building awareness around carbon monoxide safety, energy efficiency, and the priority services register. This partnership demonstrates how national collaborations can strengthen our network's capacity to reach families with targeted support.

John Lewis Partnership - The second *Made by Care* lifestyle range launched successfully, showcasing the creativity of care-experienced young people and raising funds for Home-Start alongside other Building Happier Future partners. Additional charitable products, including Christmas items, and a supplier fundraising ball, have further supported Home-Start, enhancing both our visibility and income. Meanwhile our *Healthy Happy Home* programme received a valuable boost with the launch of new inclusive play course to meet the evolving needs of families and communities. The course includes expert guidance and practical advice developed alongside the Centre for Research on Play in Education, Development and Learning at the University of Cambridge

Fundraising Gala Dinner - In May, we held our first-ever fundraising gala at the iconic BT Tower, raising £35k and bringing together existing and new supporters. The event was a celebration of the partnerships, philanthropy, and community that sustain our work, as well as a platform to inspire future support.

Learning and Development

This year saw significant progress in strengthening the learning and development opportunities across the network, ensuring that staff, trustees, and volunteers have the skills and knowledge to deliver exceptional family support.

Learning Management System (LMS) - Launched in September 2024, and during our first year the Home-Start Learning Centre has registered over 7,300 learners, including 153 local Home-Starts actively using the platform for learning throughout their organisations and another 19 are now registered to start using it in the near future. There are 4,700 volunteers, 800 trustees, and 1300 staff, using the system. Since launch, 4,100 courses have been completed, with another 1400 currently in progress. Healthy Happy Homes modules alone saw 2,200 completions, highlighting the rapid adoption and value of the new system.

New modules have included volunteer training on play, neurodivergence, and Healthy Happy Homes topics such as sleep, financial management, and health and nutrition, ensuring that learning meets the evolving needs of families and communities.

Local Home-Starts have added 120 of their own events, webinars, and meetings to the shared training scheduler. This functionality did not exist previously, giving us visibility of learning activity across the network and enabling better coordination and support. New modules have included volunteer training on play, neurodivergence, and Healthy Happy Homes topics such as sleep, financial management, and health and nutrition, Home Safety and energy saving ensuring that learning meets the evolving needs of families and communities.

Campaigns and Public Engagement

This year has also been a milestone for Home-Start UK in raising awareness of the vital work our network delivers.

Cries Campaign – We launched our first-ever TV advertising campaign aired on ITV3, featuring real parent stories and highlighting the challenges families face. The launch event at Curzon Aldgate brought together families and supporters, providing a moving and public celebration of the difference Home-Start makes in everyday lives.

Royal Visit to Home-Start Lorn - The Prince and Princess of Wales visited Home-Start Lorn in Tobermory, shining a national spotlight on rural community support. The visit highlighted the value of locally led interventions and was widely covered in the press, including HELLO!, The Oban Times, and on the Royal Family website.

Volunteer Awards 2025 - Our first in-person volunteer awards in 12 years were held as a hybrid event at the RAC Club Pall Mall, hosted by Ambassador Kirstie Allsopp and President James Sainsbury OBE, with many more local Home-Start and supporters joining us on-line from around the country. The awards celebrated the incredible impact of volunteers across the network, recognising the dedication, commitment, and life-changing work they do every day.

Home-Start Thank You Day (1 May) - Was a coordinated national campaign to thank supporters, volunteers, and staff. Using social media, video messages, letters, and local engagement, we reached thousands of supporters and amplified the message across our network, creating a truly heartfelt national moment of gratitude to all who support our work.

1 Million Minutes - In December, for the third year Home-Start took part in Good Morning Britain's campaign to attract volunteers. Throughout the month supporters pledged an incredible 1831 people registered their interest in giving their time to Home-Start.

Projects and Initiatives

Connected from the Start - An independent evaluation of our 3-year Peri Natal Infant Mental Health programme concluded that over 90% of participants achieved the intended learning outcomes, and 84% applied new skills in supporting families. The programme has benefitted approximately 10,000 families, improving parental mental health support, early years engagement, and volunteer confidence.

Federation Theory of Change - Led by Trust Impact, this project engaged the network in the development of clear measures of collective network impact, providing a framework to understand and communicate the difference our network makes nationally.

Organisational Development - The organisation has continued to strengthen its systems, processes, and capacity this year.

ISO 9001 Assessment - Home-Start Uk was rated "exemplary", reflecting robust internal systems and effective governance.

Office Relocation - Our main office successfully relocated under a 12-month temporary lease, ensuring operational continuity while adapting to new ways of working.

Planning and Budgeting - We have enhanced our systems and processes enhanced to align resources with strategic priorities, improving efficiency and oversight.

Learning and Volunteer Support – Continued investment in the LMS, network training, and volunteer development is ensuring greater accessibility, improved reporting, and strengthened impact measurement, benefiting staff, trustees, and volunteers alike. In 2025 over 9,000 Home-Start volunteers contributed their time to ensuring families received home visiting and community-based support

Quality and Safeguarding - We embedded a new continuous Quality Assurance framework, helping local Home-Starts assess their own practice and demonstrate their commitment to excellence through ten digital quality badges. This has created a clearer and more consistent approach to quality across the network.

Our focus this year was on the priority standards of Protecting Families, Family Support and Governance and Leadership. We supported local Home-Starts to identify areas for improvement and share examples of best practice. One standout example was the adoption of the PLANTs model, developed by Home-Start Hillingdon, which helps volunteers and staff focus on children's needs within supported families.

We carried out 18 of our in-depth Quality Assurance Certification Audits, supporting each Home-Start to work through improvement plans and achieve accreditation against the Home-Start Handbook. This has strengthened confidence and accountability in local governance and safeguarding practice.

Our Safeguarding Forum continued to grow, bringing together local staff and trustees to learn and reflect on topics such as safeguarding culture, practice reviews, and volunteer boundaries. New guidance for volunteers has provided greater clarity on maintaining professional boundaries, ensuring families are supported safely and respectfully.

We also reviewed and strengthened key safeguarding documentation and policies, adding clearer guidance on low-level concerns, managing allegations, and reporting marks or bruises to non-mobile babies. Collaborative work with the Disclosure and Barring Service and Volunteer Scotland helped ensure local Home-Starts remain compliant with current legislation and best practice.

The Quality Team, along with the wider network team played a crucial role throughout the year, quality assuring local Home-Starts, hosting webinars, reviewing policies, and promoting a strong safeguarding culture across the network. Their work continues to help local Home-Starts deliver safe, consistent, and high-quality support for families when they need it most.

Equity, Equality, Diversity and Inclusion

Home-Start is committed to making inclusion, equity, and diversity central to everything we do. This commitment is reflected in our strategic framework, where inclusion stands as one of the four core pillars. We know that creating compassionate, supportive communities for parents requires every part of our organisation to be welcoming and accessible to all.

Being truly inclusive also means growing the diversity of our staff, volunteers, and trustees, so that Home-Start better reflects the communities we serve. By doing so, we strengthen our ability to understand, connect with, and respond to the needs of every family we support.

This year, we've made tangible progress in embedding equity, equality, diversity and inclusion across Home-Start UK. From welcoming external speakers sharing lived experience, to strengthening recruitment practices and ensuring inclusive policy updates - our commitment is increasingly reflected in how we work and who we are. We have introduced EEDI performance measures and improved website accessibility. Our Disability Confident Employer status and Race at Work Charter membership signal our alignment with national inclusion standards.

While progress is visible, we recognise areas for further development - particularly in supporting local Home-Starts with their own EEDI plans and deepening strategic partnerships to support this important work. These priorities will shape our focus in 2026/27 as we continue building a culture where every family feels seen, heard and supported.

Awards and Recognition

Home-Start UK has received a series of accolades this year, reflecting the quality, impact, and ambition of our work.

Investors in People - We achieved Silver accreditation, a mark of excellence attained by only 22% of organisations. We are proud of this achievement and will be reviewing assessor recommendations with our Better Workplace Forum to continue developing Home-Start as a fantastic place to work.

British Quality Foundation (BQF) Awards - We were shortlisted for two prestigious awards: the Patron's Award: Excellent People Doing Excellent Things, and Excellence in Employee Health and Wellbeing. Our People Team presented to the judging panels, with both awards reflecting the outstanding commitment of our staff and volunteers.

Smiley Charity Film People's Choice Award - Our film *The Reunion*, telling the story of a family supported by Home-Start, won national recognition, highlighting the real impact of our work.

Third Sector Business Award - The *Warm Spaces* programme, delivered in partnership with Cadent, was shortlisted, reflecting the innovative ways we address fuel poverty and support vulnerable families.

Campaign Magazine Awards - Our *We Answer the Cries You Don't Hear* campaign was shortlisted in the content category.

Our Plans for the Future

Together with Families, is our five-year strategic framework that sets out Home-Start's vision for the future. It builds on our legacy of over 50 years of standing alongside families in communities across the UK. Our work over the next two years will focus on three interconnected areas: strengthening our network, expanding our movement, and building strong foundations for sustainable growth.

Programmes of Work 2024–2027

Strengthening our network

We will strengthen the Home-Start network so that families are supported by skilled volunteers, confident staff, and resilient local organisations. By enhancing quality, safeguarding, training, and collaboration, we aim to create compassionate communities where families feel seen, supported, and connected.

Growing the Movement

To reach more families, we will inspire more people to volunteer, donate, and advocate for our work. By amplifying the voices of families and volunteers, and building strong partnerships, we will grow our influence, profile, and resources, helping Home-Start's impact reach further than ever before.

Strong Foundations

Sustainable growth depends on strong foundations. We will invest in our people, systems, and culture, ensuring Home-Start UK is an agile, inclusive, and resilient organisation. By harnessing data and insight, we will continuously improve services, support our network, and demonstrate the life-changing impact of Home-Start.

In addition to these priorities, we have identified cross-cutting themes that are needed to run through all of our plans and guide our work. These are:

- **One Home-Start:** The power of our impact is our federation. The national/local dimension of our work is our distinctive contribution to the charity landscape for families. We therefore need to continue to prioritise relationship building across the network and harness the collective power of the Home-Start federation to act together and deliver the greatest impact for families.
- **Audience and data-led:** Our ambitions to build our movement require an 'audience-led' approach that seeks to understand how families, Home-Starts, potential donors and funders and potential volunteers understand our work and want to partner in our mission. As a federation we need to mature in our use of insight and data to understand our impact, tell our story and to identify areas for change and growth. We must seek to explore the potential advantages of new technologies to support this.
- **Partnership building:** Our ambitions always outweigh our resources. Rather than just accept this, we need to confidently seek coalitions and partnerships with others that can speed up the pace and scale of our work to meet the needs of more families.
- **People and culture:** Underpinning our success is our people and culture. We will continue to prioritise building a positive, inclusive and purpose-driven culture to deliver our plans. Home-Start UK needs to continue to be a great place to work and a role model of progressive practice for our federation.

Activities

Home-Start supports families who are facing the many challenges that can impact on raising children, from mental and physical health difficulties to poverty, homelessness, disability, and other pressures. Our work is delivered through a network of around 175 independently run local Home-Starts across the UK, each rooted in its own community.

As a national federated charity, Home-Start UK exists to strengthen and support this network. We work closely with local Home-Starts to help them grow, remain sustainable, and deliver high-quality services. This includes providing guidance, sharing best practice, offering training, and supporting research to improve and influence services for families. We set and monitor quality standards so that every family can access consistent, excellent support, no matter where they live.

Through our national presence, digital platforms, and resources, we connect families and referrers to local Home-Starts, ensuring that the right support reaches those who need it most. In doing so, we help build strong, resilient, and compassionate communities where families can thrive.

Public benefit

The board of trustees confirms it has complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

Organisational structure

Home-Start UK is a charity constituted as a company limited by guarantee in England and Wales, governed by a board of trustees. The Home-Start network consists of Home-Start UK together with 175 local Home-Starts, affiliated to Home-Start UK through a legal agreement. Local Home-Starts are separate charities in their own right and are responsible for their own financial affairs and statements. The total income of local Home-Starts is £50million, which together with Home-Start UK's group income of £5million gives the total Home-Start network income of £55 million.

Home-Start UK owns 100% of the issued equity share capital of Home-Start Consultancy Limited, a company incorporated in England. The subsidiary undertaking commenced trading during 2020-21.

Governance and management

Our Board of Trustees, who are also Directors of the Charity for the purposes of the Companies Act, have overall responsibility for setting the strategy of the Charity. Our Chief Executive, working with the Senior Leadership Team is responsible for delivering the Board's vision and strategy and for its day-to-day operations.

When seeking to fill vacancies on the board, the trustees identify the particular skills and expertise needed to cover the work of the board and prioritise these during the recruitment process. In an attempt to increase the diversity of the board's membership we advertise widely for new trustees, and ensure, throughout the recruitment process, that all applicants from a wide variety of backgrounds have an opportunity to succeed.

A panel of trustees interview all prospective trustees to determine that they have the required skills to contribute to the charity's management and development. New appointments are ratified by the full Board of Trustees. Trustees serve for an initial term of three years, and subject to review and the approval of the board, may serve a second period of three years. When trustees are appointed, they are given a formal introduction to the work of the charity and the information they need to fulfil their roles as charity trustees and company directors. The trustee board meet quarterly plus two additional meetings to focus on Board development and strategy.

A Finance and Risk Committee, with members with specific knowledge and experience in finance, fundraising or governance, meet four times per year and report to the board.

An Impact Committee, which includes the Board's lead trustee for safeguarding, meets four times per year to oversee issues of quality, impact and network development and support the strategic governance of the impact of work across the Home-Start federation.

A People Committee, comprising trustees and co-opted members with relevant expertise, meets four times per year to provide strategic oversight of workforce matters, including HR policies, equity, diversity and inclusion, staff wellbeing, and Board development.

The charity provides third party indemnity insurance provision on behalf of the board of trustees.

Related parties and Home-Start Worldwide

Home-Start UK provides model operating policies, guidance and procedures for our network of 175 local Home-Starts.

Home-Start Worldwide sustains the development of Home-Starts across the world. In 2024-25 there were Home-Starts operating in 22 countries and five continents.

Home-Start UK owns 100% of the issued equity share capital of Home-Start Consultancy Limited, a company incorporated in England. Related party transactions during the year are shown in Notes 12 in the group financial statements. Home-Start Consultancy Limited undertakes commercial activities on behalf of the parent company Home-Start UK.

Financial review

The year-ending 31st March 2025 saw a notable rise in income, reflecting planned growth and associated investment. Total income reached £5.24m, significantly exceeding the planned target of £4.36m and representing a 36% increase on the previous year's income of £3.85m. This growth was driven by enhanced fundraising efforts linked to increased programmatic funding requirements. These programmes have been included within the designated funds. This income source secured £1.44m in 2024-25, an increase of over 300% from £0.46m in the previous year. This reflects our success in securing funding for specific strategic initiatives that will be delivered in future years. While this income contributes to the overall reserves held at year-end, it is earmarked for planned activities and therefore does not represent unrestricted growth in available reserves. The increase enables us to move forward with confidence in delivering multi-year projects aligned with our strategic objectives.

Expenditure for the year totalled £4.54m, closely aligned with budget expectations and reflecting disciplined financial management. This included £3.80m directed toward charitable activities and £676k invested in fundraising — a strategic increase of £0.1m from the previous year to support long-term income generation.

The year concluded with a surplus of £665k, a marked improvement from the previously budgeted deficit of £480k. This variance is attributable to a combination of factors: increased end of year holding in designated and restricted funds, £566k within designated funds (2024: £308k), and £412k within restricted funds (2024: £252k), both of which will be utilised in future years in line with programme delivery. The remaining £167k positive variance includes a one-off compensation payment of £100k recorded under other income, and the remaining a unexpected increase in corporate donations in the later end of the year. The surplus does not reflect underlying growth but rather timing differences in income recognition and exceptional items. Programmatic costs increased in line with income and have been appropriately held within designated funds for future delivery. Resources (including staffing) stabilised during the year, with 50 full-time equivalents supported, and a renewed focus on capacity building to enable future growth.

The Group Balance Sheet, encompassing Home-Start UK and its subsidiary Home-Start Consultancy, shows an increase in net assets to £2.74m (2024: £2.07m). This includes £1.76m in unrestricted funds, £566k in designated funds, and £412k in restricted funds. The pension reserve continues to reflect the net present value of agreed deficit recovery payments, in line with FRS 102, and is accounted for within short-term and long-term liabilities.

Our commitment to financial transparency and efficiency remains central to our operations. Approximately 84% of total expenditure was applied directly to charitable activities, consistent with our mission to support families and strengthen the Home-Start network. Grants to local Home-Starts totalled £610k, enabling the delivery of targeted services and supporting innovation across the federation. We are deeply grateful to the funders whose generosity makes this possible — their contributions have a direct and meaningful impact on families and communities. While these grants form an important part of our support offer, they sit alongside a much wider package of resources and infrastructure provided by Home-Start UK. This includes safeguarding frameworks, volunteer recruitment tools, governance support, training, and quality assurance — all of which are essential to enabling local Home-Starts to thrive. We also extend our heartfelt thanks to all the funders who have supported the wider work of Home-Start UK this year. Your investment in our infrastructure, strategic development, and core services has been instrumental in strengthening the federation and enabling us to respond to the growing needs of families with confidence, compassion, and impact. With an estimated £50 million needed annually across our local network, our role is to ensure that every local Home-Start has access to the tools, guidance, and national representation they need to deliver high-quality, sustainable support to families.

Our Budget and Future Targets 2025-26 and 2026-27

Home-Start UK continues to operate within a framework of strategic financial planning, designed to support long-term sustainability and growth. As we enter the final two years of our five-year strategy, our focus remains on maintaining a balanced and resilient financial position, enabling us to respond to increasing demand across our network while investing in the people, programmes, and infrastructure that drive our mission forward.

We continue to take a cautious approach to our growth initiative. While our overall income target for 2025–26 has been adjusted slightly downward, this reflects a strategic decision to focus on long-term stability and quality of income rather than short-term gains. The reduction is primarily due to

slower-than-anticipated progress in new business development, which has prompted a rebalancing of our fundraising strategy.

Encouragingly, our trust income has significantly exceeded expectations, demonstrating continued confidence in our work and the impact of our programmes. Individual giving has also grown, supported by increased engagement from our wider supporter base. These areas of strength have helped offset challenges and reinforce the value of our diversified income model.

We remain committed to financial efficiency and effectiveness. Our staffing plans continue to evolve, with new roles funded through multi-year grants that support delivery and innovation. We are managing recruitment carefully to align with income and operational priorities, ensuring our workforce is equipped to meet the needs of our Local Home-Start network. We anticipate modest increases in staffing and departmental costs, aligned with our commitment to maintaining quality, strengthening delivery, and building capacity across the organisation.

Looking ahead to 2026–27, our financial planning is supported by a foundation of multi-year funding agreements, which provide early assurance for a portion of our income requirement. However, we recognise that reaching our overall income target will require continued effort and adaptability, particularly in a challenging external environment.

As demand on our network continues to grow, our financial strategy ensures that Home-Start UK remains well-positioned to support local Home-Starts in delivering compassionate, community-based support. We are deeply grateful to our funders, partners, and individual supporters whose generosity and belief in our mission continue to drive our progress.

Investment policy

The Memorandum and Articles of Association give the Trustees unrestricted powers of investment. The charity's current investment strategy is to deposit the majority of funds in short- and medium-term interest-bearing accounts with UK banks and building societies.

CCLA were chosen as a charity specialist investment manager with strong governance and a clear approach to responsible and ethical investments designed to reflect the nature of the charities they serve. During 2024-25, no further funding was added to the Fund. Unrealised losses of £32K during the year resulted in a net balance in this Fund of £672K as of 31st March 2025 (2023-24: £705K). As this investment is intended to be held more than one year, the investment fund has been classed as a Fixed Asset Investment on the Balance Sheet.

Our funders

We are immensely grateful to everyone who makes Home-Start's work possible. From individuals giving one-off or regular donations, to our valued partners and organisational funders, your support enables us to reach families across the UK and make a lasting difference in their lives. Every contribution, large or small, whether to our national or local work, helps Home-Start provide practical, emotional, and vital support to parents and children.

To all of you who invest in, champion, and stand alongside our network, thank you. Your generosity, commitment, and belief in our mission mean that no parent has to face the challenges of raising young children alone. We simply could not do this without you, and together we are building stronger, more compassionate communities for families everywhere.

Risk management and internal control

HSUK maintains a Strategic Risk Register, which consolidates and reflects key risks escalated from the operational risk registers. This ensures that day-to-day operational risks are monitored, with significant issues and trends feeding into the strategic view. The strategic risk register is reviewed regularly by the Senior Leadership Team, Board Committees, and the Board of Trustees, ensuring risks are identified, monitored, and mitigated in alignment with the organisation's strategic planning process.

Since Home-Start works with children and families at risk of harm, we consider safeguarding and child protection the greatest area of inherent risk with our work. Home-Start UK has developed a comprehensive framework of consents, controls, policies and reviews to ensure local Home-Starts fulfil their safeguarding/child protection responsibilities and deal with any concerns rapidly and sensitively. Home-Start UK asks local Home-Starts to report data breaches and safeguarding reputational threats against set criteria. Our Impact Sub Committee was created as a governance layer to support the protection and safeguarding of at-risk groups. They report quarterly to the trustee board on safeguarding issues, emerging themes, staff training and reportable incidents. Staff across the network team have received DSO training, as the direct contact for safeguarding concerns and reportable incidents.

Maintaining an effective oversight and management of risk is a central responsibility of the Board of Trustees but to support the Board, each of our formal sub committees takes a direct role in leading on the ongoing review of a group of identified risks. This is complemented by an annual review of the risk by the Board and the ability to dive into any risk at any stage as deemed relevant by trustees and the senior leadership team as well as to test the effectiveness of our approach to risk management.

The management of risk is structured through a clear delegation process as outlined below:-

Finance Committee –

Oversees financial risks including income and expenditure balance, legal and regulatory compliance, cyber security, and financial controls. Reports to the Board on strategic financial risks and control weaknesses.

Impact Committee -

Monitors safeguarding, quality, impact measurement, and operational risks across the Home-Start network. Provides quarterly reports to the Board on safeguarding incidents, emerging themes, and reputational risks.

For the year ended 31 March 2025

People Committee –

Oversees workforce-related risks including staff capacity, wellbeing, skills development, and organisational culture. Monitors risks related to legal and regulatory compliance, recruitment, retention, capacity and skills, diversity and inclusion, and leadership effectiveness. Reports to the Board on people-related strategic risks and emerging workforce themes.

Senior Leadership team -

Responsible for identifying and managing strategic and operational risks, including organisational agility, staff wellbeing, and diversity and inclusion. Reviews emerging risks and reports to the Board and subcommittees.

Remuneration policy

The Finance Committee, on behalf of the trustee board, consider and set staff pay. A non-contractual health care provision is in place for all staff as an additional benefit.

We review staff job descriptions annually as part of an annual appraisal process and the senior leadership team consider any proposals for amendments to roles and remuneration.

The Board sets the chief executive pay level taking into account pay levels in other similar sized charities. The Board also considers any proposed changes to roles and remuneration for executive staff on the senior leadership team. Trustees are entitled to claim expenses but do not receive any remuneration for their time. Trustee expenses are shown in Note 10 of the group financial statements.

Reserves policy and going concern

During the year the trustees have reviewed the level of reserves they believe are required to fund the work of Home-Start UK.

Free reserves are held for working capital resilience, each year the target is determined using a nuanced approach, that provides a calculated free reserve target not including fixed assets and funds set aside in key areas, stated as Designated funds. The current target set is £1.76m, the holding at 31 March 2025 were £1.75m.

The minimum free reserves have been set at £1.24m, which equates to 2.6 months of budgeted revenue expenditure. This is based on a calculated consideration of the requirements necessary for different aspects of the organisation's expenditure (principally salaries, overheads and Liabilities relating to contracted commitments). The Trustees ensure diligent oversight of the reserves through systematic reviews within the framework of monthly management accounting procedures and a comprehensive evaluation on a quarterly basis as part of the strategic financial risk assessment protocol.

At 31 March 2025, free reserves including designated funds were £2.30m (2024: £1.75m). This equates to 4.2 months revenue expenditure (2024: 4.8 months).

Following a comprehensive evaluation of the reserves and strategic planning activities conducted throughout the year, the trustees have determined that the charity possesses adequate reserves to maintain its operations as a going concern. After thorough deliberation of the charity's budgets, forecasts, cash flow projections, reserve levels, and financial arrangements, the trustee board has ascertained that there are no significant uncertainties that would affect Home-Start UK's ability to operate for a minimum of 12 months.

Fundraising regulator

Home-Start UK is registered with the Fundraising Regulator. We work within the guidelines and standards as set out by the Charity Commission and the Fundraising Regulator to ensure the protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Home-Start UK maintains a formal complaints procedure. There were no complaints received during the year under review. We are committed to always listening to our supporters and putting them at the heart of our work. A subsequent review of our procedures in this area has ensured a better experience for all those who participate in fundraising challenge events on our behalf.

On occasion our federated structure can mean that some donations intended for a local Home-Start come through to Home-Start UK in error. Any such identified donations are forwarded to the relevant Home-Start in line with the donor's wishes.

Our directly employed fundraising team undertakes the majority of our fundraising work. However, because of the specialist nature of some of the work, we do from time-to-time work with external agencies for creative, digital and marketing support to help us communicate effectively with donors and potential donors. We require these contractors, as a minimum, to operate within the remit of the fundraising regulator TPS framework, the GDPR framework and our own fundraising guidelines and monitor each contract on an ongoing basis to make sure operators comply with these requirements.

Protecting our data

Home-Start UK takes the protection of personal data extremely seriously. We are vigilant in safeguarding against cyber threats and remain fully compliant with the evolving data protection landscape, including the UK GDPR and the Data Protection Act 2018.

We have appointed Really Good Data Protection (RGDP) as our external Data Protection Officer (DPO) to provide expert oversight and ensure robust data governance. We conduct regular reviews of our data handling practices, including legitimate interest assessments, consent management, and privacy notices, to ensure transparency and accountability in all our communications.

Equity, Equality, Diversity and Inclusion policy

Home-Start UK's goal is to be truly inclusive, benefit from diversity and appreciate everyone for their contribution, welcome and value difference. We treat everyone with respect and offer equal chances to participate. Our Strategic Framework, launched in May 2022, places a specific focus on advancing inclusion.

Home-Start UK has high standards, and we will investigate and act on any reports of practice, which trustees, staff, volunteers or families believe to be unfair or discriminatory.

As described earlier, in 2022 we launched a new Equality, Equity, Diversity and Inclusion (EEDI) Action Plan, which reports directly to the Trustee Board. The plan is made publicly available on our website to ensure transparency. We have established a Diversity Champions Group and regularly compile staff surveys to measure our progress as an employer. Insights from these surveys inform future planning. We are fully compliant with our obligations under the Equality Act 2010. We take seriously our role as a charity and central body within a federation to challenge inequality, use data to build understanding and action, become a more inclusive employer, enhance the representativeness of our Boards and instil greater cultural confidence of Home-Start UK and the wider network.

Statement of responsibilities of the trustees

The trustees (who are also directors of Home-Start UK for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the 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 Charities SORP (FRS 102)
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on 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.

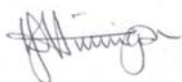
Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees on 31 March 2025 was 9 (2023-24: 11). The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Price Bailey LLP was appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report was approved by the trustees on 3rd December 2025 and signed on their behalf by the chair.



Lin Hinnigan

Chair of Board of Trustees

Independent Auditor's Report to the Members of Home-Start UK

Opinion

We have audited the financial statements of Home-Start UK (the 'parent charitable company') and its subsidiary ('the group') for the year ended 31 March 2025 which comprises the Consolidated Statement of Financial Activities, the group and parent charitable company balance sheets, the consolidated statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group and of the parent charitable company's affairs as at 31 March 2025, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report, which includes the directors' report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption from the requirement to prepare a strategic report

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement (set out on page 22) the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under 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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. 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:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness.
- We reviewed accounting policies for evidence of management bias and ensured that the accounting policies were correctly applied to the financial statements.
- We reviewed minutes of Trustee Board meetings, any correspondence with the Charity Commission and reviewed the procedures in place for the reporting of any incidents to the Trustee Board including serious incident reporting of these matters as necessary with the Charity Commission.
- We agreed the financial statement disclosures to underlying supporting documentation, made enquiries of management and officers of the charitable company regarding laws and regulations applicable to the group and discussed whether there had been any known breaches of laws and regulations in order to consider any possible further considerations or impact upon the Charity or group.
- We reviewed the risk management processes and procedures including a review of the Board assurance reporting.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the FRC's website at: <https://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Shaun Jordan ACA (Senior Statutory Auditor)

for and on behalf of
Price Bailey LLP
Chartered Accountants
Statutory Auditors
Tennyson House
Cambridge Business Park
Cambridge
CB4 0WZ

Date: 10 December 2025

Price Bailey LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Home-Start UK

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2025

	Note	Unrestricted £	Designated £	Restricted £	2025 Total £	*Unrestricted £	*Designated £	Restricted £	2024 Total £
Income from:									
Donations	2	1,203,875	243,097	125,000	1,571,972	1,026,689	289,432	288,175	1,604,296
Charitable activities									
Standing Alongside Families	3	319,140	575,456	315,502	1,210,098	291,026	-	222,577	513,603
Standing Together	3	615,633	575,456	656,743	1,847,832	505,222	175,000	551,524	1,231,746
Growing our Movement	3	180,049	50,000	189,198	419,247	234,513	-	166,370	400,883
Other trading activities	4	35,375	-	-	35,375	49,406	-	-	49,406
Other Income	4a	100,000	-	-	100,000	-	-	-	-
Investments	5	57,525	-	-	57,525	47,477	-	-	47,477
Total income		2,511,598	1,444,009	1,286,443	5,242,050	2,154,333	464,432	1,228,646	3,847,411
Expenditure on:									
Raising funds	6	672,060	3,791		675,851	118,513	64,432	390,007	572,952
Charitable activities									
Standing Alongside Families	6	520,582	444,047	326,747	1,291,377	709,025	5,040	118,641	832,706
Standing Together	6	706,402	650,936	510,248	1,867,586	827,716	167,483	709,573	1,704,772
Growing our Movement	6	301,183	50,000	289,970	641,153	549,621	3,990	216,184	769,795
Subtotal of operating expenditure		2,200,227	1,148,774	1,126,966	4,475,967	2,204,875	240,945	1,434,405	3,880,225
Increase in pension liability	23	67,909	-	-	67,909	21,833	-	-	21,833
Total expenditure		2,268,136	1,148,774	1,126,966	4,543,876	2,226,708	240,945	1,434,405	3,902,058
Net (expenditure)/income before investment gains		243,462	295,235	159,477	698,173	(72,375)	223,487	(205,759)	(54,647)
Net gains/(loss) on investments		(32,843)	-	-	(32,843)	58,511	-	-	58,511
Net income/(expenditure) for the year		210,619	295,235	159,477	665,330	(13,864)	223,487	(205,759)	3,864
Transfers between funds		37,588	(37,588)	-	-	(20,358)	20,358	-	-
Net movement in funds		248,207	257,647	159,477	665,330	(34,222)	243,845	(205,759)	3,864
Reconciliation of funds:									
Total funds brought forward	25	1,509,849	308,389	252,398	2,070,636	1,544,071	64,544	458,157	2,066,772
Total funds carried forward		1,758,056	566,036	411,875	2,735,966	1,509,849	308,389	252,398	2,070,636

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 25(a to d) to the financial statements.

Home-Start UK

Balance sheets

Company no. 05382181

As at 31st March 2025

		The Group		The Charity	
	Note	2025 £	2024 £	2025 £	2024 £
Fixed assets:					
Tangible assets	14	26,314	63,902	26,314	63,902
Listed investments	15a	672,073	704,916	672,073	704,916
Shares in group undertaking	15b	-	-	100	100
		698,387	768,818	698,487	768,918
Current assets:					
Debtors	18	368,120	348,670	408,306	393,391
Short notice deposits held for investment		950,000	300,000	950,000	300,000
Cash at bank and in hand		1,287,575	1,131,412	1,238,907	1,075,901
		2,605,695	1,780,083	2,597,213	1,769,292
Liabilities:					
Creditors: amounts falling due within one year	19	(533,491)	(478,265)	(529,010)	(470,846)
Net current assets		2,072,204	1,301,818	2,068,203	1,298,445
Total assets less current liabilities		2,770,591	2,070,636	2,766,690	2,067,363
Creditors: amounts falling due after one year	21	(34,625)	-	(34,625)	-
Total net assets		2,735,966	2,070,636	2,732,065	2,067,363
The funds of the charity:	25				
Restricted income funds		411,875	252,398	411,875	252,398
Unrestricted income funds:					
Designated funds		566,036	308,389	566,036	308,389
Pension reserve		(47,373)	(14,431)	(47,373)	(14,431)
Non-charitable subsidiary funds		3,901	3,273	-	-
General funds		1,801,527	1,521,007	1,801,527	1,521,007
Total unrestricted funds		2,324,091	1,818,238	2,320,190	1,814,965
Total funds		2,735,966	2,070,636	2,732,065	2,067,363

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime within part 15 of the Companies Act 2006

Approved by the trustees on 3rd December 2025 and signed on their behalf by



Lin Hinnigan
Home-Start UK, Chair of Trustees

Home-Start UK

Consolidated statement of cash flows

For the year ended 31st March 2025

	Note	2025 £	2024 £
Cash flows used in operating activities			
Net cash used in operating activities	26	753,271	(1,719)
Cash flows from investing activities:			
Interest from investments		57,525	47,477
Purchase of tangible fixed assets		(4,635)	(62,078)
Net cash used in investing activities		52,890	(14,601)
Change in cash and cash equivalents in the year		806,161	(16,320)
Cash and cash equivalents at the beginning of the year		1,431,413	1,447,733
Cash and cash equivalents at the end of the year	27	2,237,574	1,431,413

Notes to the financial statements

For the year ended 31st March 2025

1 Accounting policies

a) Statutory information

Home-Start UK is a charitable company limited by guarantee and is incorporated in England and Wales, and Scotland. The registered office address and principal place of business is Clarence House, 46 Humberstone Gate, Leicester, LE1 3PJ

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Home-Start Consultancy Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The wholly-owned subsidiary became operational on 1st November 2020.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgments, for example in respect of significant accounting estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgments affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation 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. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, 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 services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Investment income is earned through holding assets for investment purposes. It may include dividends and interest. It is included when the amount can be measured reliably.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31st March 2025

1 Accounting policies (continued)**i) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- l Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- l Standing alongside families relates to the costs incurred in making the case for support to help more families avoid crisis as a result of receiving appropriate early support.
- l Stronger together relates to the costs of a thriving, collaborative UK-wide community of high quality Home-Start provision for families with young children
- l Growing our movement relates to a collective ambition to reach significantly more families and in a way that works for them

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Where directly attributable resources expended are allocated to the particular activity where the cost relates. Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure. Similarly where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

l	Standing alongside families	22%
l	Stronger together	44%
l	Growing our movement	20%
l	Cost of raising funds	14%

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

l	Fixtures and fittings	15%
l	Computer Equipment	33%
l	Information system	15%

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) Fixed asset investments

Investments are a form of non-basic financial instrument and are initially recognised at their transaction value and subsequently measured at fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Home-Start UK

Notes to the financial statements

For the year ended 31st March 2025

1 Accounting policies (continued)

p) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

q) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 30 days and 12 months.

r) Cash at bank and in hand

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

s) Creditors and provisions

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.

t) Financial instruments

The charity has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities. Full details are given in the financial instruments note.

u) Pensions

Home-Start UK makes contributions into a defined benefit pension scheme, which is now closed and a number of defined contribution schemes. The defined benefit scheme is a multi-employer scheme and it is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. Home-Start UK has recognised its liability for past service deficits for this scheme and these are noted as a liability and in the pension reserve. The assets of the various schemes are held separately from those of Home-Start UK in independently administered funds. Employer contributions are charged in the Statement of Financial Activities as they fall due.

2 Income from donations

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Individual donations	289,932	65,000	354,932	191,790	-	191,790
Corporate partnership donations	946,984	-	946,984	846,490	-	846,490
Trust/foundation donations	166,174	60,000	226,174	102,362	288,175	390,537
Cost of living appeal		-	-	9,030	-	9,030
Gift in Kind	30,891		30,891			
Legacies	12,990	-	12,990	166,449	-	166,449
	<u>1,446,972</u>	<u>125,000</u>	<u>1,571,972</u>	<u>1,316,121</u>	<u>288,175</u>	<u>1,604,296</u>

Donations

Income received from charitable trusts, corporate partners, charity challenges and individual givers for our work across the UK. Individual donations decreased as the UK economy experienced an increase in the cost of living which has an impact on individual givers. Corporate partnership donations decreased as our partnerships with some major corporates can to an end as new ones are negotiated

Home-Start UK

Notes to the financial statements

For the year ended 31st March 2025

3 Income from charitable activities

Funding is allocated to either the most relevant strategic workstream or, where appropriate, proportionally across multiple workstreams.

	Unrestricted £	Restricted £	2025 Total £	Unrestricted £	Restricted £	2024 Total £
Standing Alongside Families						
40%- Membership Levy	318,099	-	318,099	291,026	-	291,026
40%-Corra Foundation (Scotland)	-	82,740	82,740	-	82,740	82,740
30%-DHSS Family Policy Unit (Northern Ireland)	-	4,929	4,929	-	5,670	5,670
100%- The promise-Scottish Government	-	133,333	133,333	-	66,667	66,667
Support from trusts and foundations-100% RNRMC & Army	-	94,500	94,500	-	67,500	67,500
Support from corporate partners	576,497	-	576,497	-	-	-
Sub-total for Standing Alongside Families	894,596	315,502	1,210,098	291,026	222,577	513,603
Stronger Together						
40%- Membership Levy	318,099	-	318,099	291,026	-	291,026
40%- Corra Foundation (Scotland)	-	82,740	82,740	-	82,740	82,740
70%-DHSS Family Policy Unit (Northern Ireland)	-	11,503	11,503	-	13,229	13,229
40%-Support from trusts and foundations+100% KGJ	163,443	562,500	725,943	169,375	375,000	544,375
Support from corporate partners	706,361	-	706,361	218,205	80,555	298,760
Training events	-	-	-	-	-	-
Sales of material and publications	3,186	-	3,186	1,616	-	1,616
Sub-total for Stronger Together	1,191,089	656,743	1,847,832	680,222	551,524	1,231,746
Growing our Movement						
20%- Membership Levy	159,049	-	159,049	145,513	-	145,513
20%-Corra Foundation (Scotland)	-	41,370	41,370	-	41,370	41,370
Department of Digital, Culture, Media and Sport	-	-	-	-	-	-
Support from trusts and foundations- 60% of AIM+100% Gar	211,000	147,828	218,828	89,000	125,000	214,000
Sub-total for Growing our Movement	230,049	189,198	419,247	234,513	166,370	400,883
Total income from charitable activities	2,315,735	1,161,443	3,477,177	1,205,762	940,471	2,146,233

Membership Levy

The membership levy is received from local Home-Starts who each contribute 2% of 90% of their income from the previous financial year in line with the Home-Start agreement. The levy is not a payment for specific services and the support of an individual local Home-Start does not vary according to the amount that they pay each year. During 2024-25, the levy was capped at £12,000 for individual local Home-Starts (2023-24: £12,000).

Government Grants

A grant was received from DHSS Family Policy Unit of £16,432 (2024: £18,899) for our work in Northern Ireland. A grant was received from the Corra Foundation of £206,850 (2024: £206,850) for our work in Scotland.

Support from the Community fund, corporate, trusts and foundations

Grants were received to support our work across the UK with continued support in specific areas across the UK. A number of trusts and foundations continued to support our work started in previous years: Cadent £410,182.50 (2024:£175,000.00,) SGN £742,812 (2024-£0) for our Breathing Spaces project and from KGJ Foundation £149,443 (2023:£143,375) for perinatal mental health support. The roll out and development of Big Hopes Big Future® in England and Wales is funded by the Masonic Charitable Foundation in 2025 for £85,328 (2024: £87,638). Funding was drawn from Army Central Fund of £80,000 (2023: £57,500) for our work with army families and we received £4,500 (2023:£10,000) for partnership with The Royal Navy and Royal Marines Charity for work with naval families.

Home-Start UK

Notes to the financial statements

For the year ended 31st March 2025

4 Income from other trading activities

	2025			2024		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Subsidiary trading income-JLP license fees	9,700	-	9,700	28,200	-	28,200
Other	25,675	-	25,675	21,206	-	21,206
	<u>35,375</u>	<u>-</u>	<u>35,375</u>	<u>49,406</u>	<u>-</u>	<u>49,406</u>

4a

Other Income

	2025			2024		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Office Lease Surrender Compensation	100,000	-	100,000	-	-	-

5 Income from investments

	2025	2024
	£	£
Bank Interest	38,361	28,681
Interest from fixed asset investments	19,164	18,795
	<u>57,525</u>	<u>47,477</u>

All income from investments is unrestricted.

6a Analysis of expenditure (current year)

	Charitable activities						2025 Total £	2024 Total £
	Cost of raising funds £	Standing alongside families £	Stronger together £	Growing our movement £	Governance costs £	Central support costs £		
Staff costs (Note 10)	472,889	311,824	570,668	210,890		758,351	2,324,622	2,378,138
Recruitment	1,656	3,548	5,085	1,537		24,128	35,954	22,562
Travel	8,382	14,871	26,131	10,488		21,031	80,903	50,030
Office Costs	18,167	32,977	65,689	24,815		247,971	389,619	367,148
Internal Meetings	413	738	1,288	513	3,791	1,383	8,126	2,586
Grants to local Home-Starts (Note 7)		411,685	597,937	87,500			1,097,121	627,640
Content Creation Expenses	12,775	21,613	53,726	37,100			125,214	
Technical advice and support (Note 8)	2,298	3,611	8,709	3,283		-	17,901	218,813
Training and development	1,014	2,118	3,122	991		20,271	27,516	69,976
Depreciation and loss on disposal						42,223	42,223	11,720
In-Kind Donations						30,891	30,891	
Fundraising materials/events expenses	21,657	39,194	67,418	26,422			154,690	54,345
Audit fees/legal and professional	6,733	11,693	30,308	8,658	23,790	58,906	140,088	76,268
	545,984	853,872	1,430,082	412,195	27,581	1,205,154	4,474,867	3,879,226
Central support costs	127,820	428,627	428,627	220,080	-	(1,205,154)	-	-
Governance costs	948	8,878	8,878	8,878	(27,581)	-	-	-
	674,751	1,291,377	1,867,586	641,153	()	-	4,474,867	3,879,226
Home Start Consultancy Expenses	1100						1100	
Total expenditure 2025-HSUK	675,851	1,291,377	1,867,586	641,153			4,475,967	
Total expenditure 2024	571,952	832,707	1,704,772	769,795	-	-	3,879,225	

6b Analysis of expenditure (prior year)

	Charitable activities						2024 £
	Cost of raising funds £	Standing alongside families £	Stronger together £	Growing our movement £	Governance costs £	Central support costs £	
Staff costs (Note 10)	378,004	300,506	645,414	241,894	-	812,320	2,378,138
Recruitment	9,530	1,525	3,621	1,207	-	6,679	22,562
Travel	10,766	6,099	12,574	5,060	-	15,531	50,030
Office Costs	11,516	16,679	39,339	13,124	-	286,490	367,148
Internal Meetings	127	141	337	112	1,275	594	2,586
Grants to local Home-Starts (Note 7)	-	86,010	448,120	93,510	-	-	627,640
Technical advice and support (Note 8)	23,118	35,386	109,987	32,535	-	17,787	218,813
Training and development	18,730	6,662	19,921	5,273	-	19,390	69,976
Depreciation and loss on disposal	-	-	-	-	-	11,720	11,720
Fundraising materials/events expenses	24,121	7,253	17,229	5,742	-	-	54,345
Audit fees/legal and professional	10,734	5,371	12,705	4,300	18,750	24,407	76,267
Evaluation, scaling & dissemination	-	-	-	-	-	-	-
Central support costs	486,646	465,632	1,309,247	402,757	20,025	1,194,918	3,879,225
Governance costs	84,987	360,506	388,956	360,469	-	(1,194,918)	-
	319	6,569	6,569	6,569	(20,025)	-	-
Total expenditure 2024	571,952	832,707	1,704,772	769,795	-	-	3,879,225

Home-Start UK

Notes to the financial statements

For the year ended 31st March 2025

7 Analysis of grants to local Home-Starts

	2025 £	2024 £
Grants to institutions		
Breathing Space fund - Pears- 2- to provide 21 LHS with support throughout the cost of living crisis, help sustaining LHS at risk allowing them breathing space to be able to continue supporting families	350,000	371,000
To deliver change in holistic family support in Scotland (The Promise), establish practice hubs undertaking activities furthering our aim to keep the promise	47,500	22,500
Supporting work with service families(Army Central)	67,500	50,000
Big Hopes Big Future®		(1,872)
Supporting families in Yorkshire areas of economic/academic/ health deprivation- 9LHS -Liz & terry Brammell foundation	6,000	-
Supporting the wellbeing of new parents with Cystic Fibrosis	-	4,000
Centre for Warmth grants (funded by Cadent)- 28 LHS to allow them to form the energy advise groups, supporting families with warm spaces, draft making workshops, making families warm and safe	266,625	120,312
Centre for Warmth grants (funded by SGN)- 36 LHS to allow them to form the energy advise groups, supporting families with warm spaces,draft making workshops, making families warm and safe	309,744	-
Supporting families with children at risk of going in to care, reduce the disadvantage faced by those in care-4LHS -(John Lewis Building Happier future)	36,000	-
Empowering women (Funded by White Stuff)-20 LHS- fund dedicated to one to one confidence building, creating strategy for safety, opportunity for building friendships, support for mental and physical health/counseling services	-	50,000
Family Support to naval families (funded by the Royal Navy & Royal Marines Charity)	2,500	7,000
Other	11,252	4,700
At the end of the year	1,097,121	627,640

Home-Start UK is instrumental in securing funding to pass on to local Home-Starts. These grants are distributed in line with the criteria of the funder. Applications are formally assessed by a panel. Central support costs are allocated as shown in Note 6. In total, 291 (2024: 119) grant payments to local Home-Starts were made during 2024/25.

Breakdown of material grants included in the above grants to institutions:-

	2025 £	2024 £
◦ Supporting local Home-Starts to support families through Cost of Living Crisis		
- supporting 21 of the most vulnerable local Home-Starts by providing Breathing Space grant to survive through Cost of living crisis	350,000	371,000
Centre for Warmth grants (funded by Cadent & SGN)- 28 LHS &36 LHS respectively to keep families warm and form the energy advise groups draft making workshops, making families safe and warm	576,369	120,312
	926,369	491,312

8 Analysis of technical advice and support

	2025 £	2024 £
Technical advice and support		
Network development	16,414	63,346
PR and communications	-	54,054
Corporate partnership development	-	7,370
Digital, data and technology development	-	93,793
To support funded projects	1,487	250
	17,901	218,813

Home-Start UK uses technical advice, support and expertise to assist in strategic development as part of externally funded projects and to provide targeted expenditure in key areas such as strategic development, digital development, building corporate partnerships and supporting network development using freelance, interims via agencies and consultancy.

9 Net income/(expenditure)

This is stated after charging /(crediting):

	2025 £	2024 £
Depreciation	19,269	11,720
Operating lease rentals:		
Property	-	35,196
Auditors' remuneration (excluding VAT):		
Audit	19,500	18,750
Other services	1,000	1,000

Notes to the financial statements

For the year ended 31st March 2025

10 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2,025 £	2,024 £
Salaries and wages	1,969,319	1,965,055
Redundancy costs paid and settled	-	56,533
Social security costs	207,564	206,123
Employer's contribution to defined contribution pension schemes (Defined contribution pension scheme amounts outstanding at the year end were £28,297 (2024: £20,554))	147,739	150,427
	2,324,622	2,378,138

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2025 No.	2024 No.
£110,000 - £119,999	1	1
£100,000 - £109,999	-	-
£90,000 - £99,999	-	-
£80,000 - £89,999	1	1
£70,000 - £79,999	-	1
£60,000 - £69,999	2	-

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £457,179(2024: £364,481).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2024: £nil). No charity trustee received payment for professional or other services supplied to the charity (2024: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £3,791 (2023: £1,275) incurred by 11 (2024: 11) members relating to attendance at meetings of the trustees.

11 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2025 No.	2024 No.
Raising funds	3.5	3.2
Standing alongside families	14.4	13.2
Stronger together	15.2	16.6
Growing our movement	5.5	6.6
Central support costs	10.4	8.9
Governance	0.6	1.1
	49.6	49.6

The number of employees calculated on the basis of full-time equivalents at the end of the year was 49.6 (2024: 49.6).

12 Related party transactions

Our honorary president, James Sainsbury OBE, is also a trustee of The Headley Trust and The Tedworth Charitable Trust. The Headley Trust made a grant of £27,000 (2024: £27,250) and The Tedworth Charitable Trust made a donation 2025:nil (2024: 30,000) towards Home-Start UK core costs. There were no outstanding balances due to or from related parties at 31st March 2025. (2024: £nil). James Sainsbury OBE also contributed towards HSUK Volunteer awards event for £10.9k and he receives no benefit from the grants or donation made to the charity.

Home-Start UK received donations totalling £3,000.00 (2024: £2,531.50) from 1 trustee (2024: 2 trustees). The trustees receive no benefit from the donations made to the charity. Due to the nature of the federated model, Trustees of Home-Start UK may also hold key management positions within Local Home-Starts. Grants to Local Home-Starts are awarded through a structured process based on objective criteria and overseen by robust governance arrangements. These arrangements ensure that no Trustee is able to influence the outcome of grant decisions. As such, these grant distributions are not considered related party transactions.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

13 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The charity's trading subsidiary Home-Start Consultancy Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2025 £	2024 £
UK corporation tax at 25%	-	-

Notes to the financial statements

For the year ended 31st March 2025

14 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Information system £	Total £
The group and charity				
Cost				
At the beginning of the year	48,268	34,126	-	82,394
Additions	4,635	-	-	4,635
Disposals in year	(29,073)	-	-	(29,073)
At the end of the year	23,830	34,126	-	57,957
Depreciation				
At the beginning of the year	2,702	15,791	-	18,492
Disposals/W/off in year	(6,119)	-	-	(6,119)
Charge for the year	7,825	11,444	-	19,270
At the end of the year	4,408	27,235	-	31,643
Net book value				
At the end of the year	19,422	6,891	-	26,314
At the beginning of the year	45,566	18,336	-	63,902

All of the above assets are used for charitable purposes.

15a Listed investments

	The group 2025 £	2024 £	The charity 2025 £	2024 £
Fair value at the start of the year	704,916	646,405	704,916	646,405
Net gain/ (loss) on change in fair value	(32,843)	58,511	(32,843)	58,511
Fair value at the end of the year	672,073	704,916	672,073	704,916
Investments comprise:				
COIF Charities Investment Fund	672,073	704,916	672,073	704,916
	672,073	704,916	672,073	704,916

15b Shares in group undertaking

	2025 £	2024 £
Cost at 1 April 2024 and 31 March 2025	100	100

Notes to the financial statements

For the year ended 31st March 2025

16 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Home-Start Consultancy Limited, a company registered in England. The company number is 02810260. The registered office address is Clarence House, 46 Humberstone Gate, Leicester, LE1 3PJ.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustee Pearly Siffel is also a director of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2025 £	2024 £
Turnover	9,700	28,200
Cost of sales	-	-
Gross profit	9,700	28,200
Administrative expenses	(4,749)	(23,877)
Profit on ordinary activities before interest and taxation	4,951	4,323
Profit on ordinary activities before taxation	4,951	4,323
Taxation on profit on ordinary activities	-	-
Profit for the financial year	4,951	4,323
Retained earnings		
Total retained earnings brought forward	3,273	15,495
Profit for the financial year	4,951	4,323
Distributed to parent charity	(4,323)	(16,445)
Total retained earnings carried forward	3,901	3,373
The aggregate of the assets, liabilities and reserves was:		
Assets	50,412	58,762
Liabilities	(46,411)	(55,389)
Reserves	4,001	3,373

Amounts owed to/from the parent undertaking are shown in notes 18 and 19.

Included within administrative expenses above is a management charge of £3,649 (2024: £22,877) from the parent entity.

Notes to the financial statements

For the year ended 31st March 2025

17 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2025 £	2024 £
Gross income	5,245,821	3,858,534
Result for the year	664,701	15,986

18 Debtors

	The group		The charity	
	2025 £	2024 £	2025 £	2024 £
Trade debtors	187,647	177,126	186,581	174,544
Accrued income	105,879	61,868	105,879	61,868
Prepayments	74,594	109,676	74,594	109,676
Amounts due from group undertaking	-	-	41,251	30,857
	368,120	348,670	408,306	376,945

19 Creditors: amounts falling due within one year

	The group		The charity	
	2025 £	2024 £	2025 £	2024 £
Trade creditors	185,259	178,937	185,259	176,220
Taxation and social security	104,445	95,072	100,616	91,222
Accruals	105,401	150,352	104,071	149,022
Grant commitments	12,238	5,518	12,238	5,518
Pension deficit	12,748	14,431	12,748	14,431
Amounts owed to group undertaking	-	-	678	478
Deferred income (note 20)	113,400	33,955	113,400	33,955
	533,491	478,265	529,010	470,846

20 Deferred income

	The group		The charity	
	2025 £	2024 £	2025 £	2024 £
Balance at the beginning of the year	33,955	5,548	33,955	5,548
Amount released to income in the year	(33,955)	(5,548)	(33,955)	(5,548)
Amount deferred in the year	113,400	33,955	113,400	33,955
Balance at the end of the year	113,400	33,955	113,400	33,955

21 Creditors: amounts falling due after one year

	The group		The charity	
	2025 £	2024 £	2025 £	2024 £
Pension deficit	34,625	-	34,625	-
	34,625	-	34,625	-

22 Financial instruments

	2025 £	2024 £
Financial assets measured at fair value through profit and loss		
Investments	672,073	704,916
Financial liabilities measured at fair value through profit or loss		
Defined pension scheme liability	(47,374)	(43,475)

Home-Start UK

Notes to the financial statements

For the year ended 31st March 2025

23 Pension scheme

The Pensions Trust - Growth Plan ("the scheme")

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company 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 scheme is classified as a 'last-man standing arrangement'. Therefore the company 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.

A full actuarial valuation for the scheme was carried out at 30 September 2023. Following confirmation of the final audited asset value, the deficit has reduced to £16.1m.

Expenses will no longer be included in the deficit payment and from 1 April 2022 will be identified separately and paid in addition to deficit contributions. This approach is more transparent and has the benefit to employers of expenses no longer being included in employer accounts for the purposes of FRS102.

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 the scheme is in deficit and where Home-Start UK has agreed to a deficit funding arrangement, Home-Start UK recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The amount recognised includes the unwinding of the discount used to calculate the net present value.

Home-Start UK ceased to provide this defined benefit scheme with effect from January 2009, with most of the members switching to the defined contribution scheme. Home-Start UK contributed £14.4k to the past service deficit of the defined benefit scheme in the year (2024: £17.3k) and will continue to contribute annually until 2028 subject to changes in deficit contributions once confirmed. Under the new recovery plan, from 1 April 2024, the deficit contributions are £14.4k per annum and the expense amount is £20.5k per annum bringing the total payment to £34.9k annual payment.

24a Analysis of group net assets between funds - current year

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	26,314	-	26,314
Investments	672,073	-	-	672,073
Net current assets	1,085,981	539,723	411,875	2,037,579
Long term liabilities	-	-	-	-
Net assets at 31st March 2025	1,758,054	566,037	411,875	2,735,966

24b Analysis of net assets between funds - prior year

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	63,902	-	63,902
Investments	704,916	-	-	704,916
Net current assets	804,933	244,487	252,398	1,301,818
Long term liabilities	-	-	-	-
Net Assets at 31 March 2024	1,509,849	308,389	252,398	2,070,636

25a Movements in restricted funds - current year

	At 1st April 2024 £	Income £	Expenditure £	Transfers £	At 31 March 2025 £
Liz & Terry Bramell Foundation	-	10,000	(10,000)	-	-
Army Central Fund	-	80,000	(80,000)	-	-
Charles Gordon Foundation	-	60,000	(45,000)	-	15,000
Corra Foundation	-	206,850	(206,850)	-	-
Corra Foundation - The Promise Partnership	2,401	133,333	(135,734)	-	-
Fidelity UK Foundation	16,018	-	(16,018)	-	-
Masonic Charitable Foundation	53,979	85,328	(139,307)	-	-
NI development-DHSS & Northern Ireland	-	16,432	(16,432)	-	-
Pears Family Charitable Foundation - Breathing Space Fund	175,000	250,000	(425,000)	-	-
Pears Foundation-Volunteering-NVRT	-	375,000	(28,125)	-	346,875
Royal Navy & Royal Marines Charity	3,000	4,500	(7,500)	-	-
Major Donor-Lockwood	-	65,000	(15,000)	-	50,000
Small Trusts - CFP	2,000	-	(2,000)	-	-
Total restricted funds	252,398	1,286,443	(1,126,966)	-	411,875

25b Movements in restricted funds - prior year

	At 31 March 2023 £	Income £	Expenditure £	Transfers £	At 1st April 2024 £
Aberdeen Asset Management Charitable Foundation	16,250	-	(16,250)	-	-
Army Central Fund	-	57,500	(57,500)	-	-
Band Trust	-	80,000	(80,000)	-	-
Charles Gordon Foundation	-	60,000	(60,000)	-	-
Corra Foundation	-	206,850	(206,850)	-	-
Corra Foundation - The Promise Partnership	-	66,667	(64,266)	-	2,401
DHSS & PS Northern Ireland	-	18,900	(18,900)	-	-
Fidelity UK Foundation	70,326	139,675	(193,983)	-	16,018
John Lewis Partnership - Healthy Happy Home	-	-	-	-	-
Kristian Gerhard Jebsen Foundation	-	-	-	-	-
Masonic Charitable Foundation	173,592	-	(119,613)	-	53,979
NI development	-	-	-	-	-
Pears Family Charitable Foundation	196,000	500,000	(521,000)	-	175,000
Pears Family Charitable Foundation with DCMS	-	-	-	-	-
Royal Navy & Royal Marines Charity	1,989	10,000	(8,989)	-	3,000
Scottish Government - Loneliness & Isolation Fund	-	-	-	-	-
Small Trusts-CFP	-	8,500	(6,500)	-	2,000
White Stuff Foundation	-	80,554	(80,554)	-	-
Total restricted funds	458,157	1,228,646	(1,434,405)	-	252,398

25c Movement in total funds - current year

	At 1st April 2024 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2025 £
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	63,902			(37,588)	26,314
John Lewis- Happy Healthy Homes	100,000	100,000	(80,679)	-	119,321
John Lewis- Building Better Future	125,000	133,096	(125,000)	-	133,096
Garfield Weston	-	50,000	(50,000)	-	-
Tomoro Foundation	-	10,000	(5,000)	-	5,000
Cadent- Centre for Warmth	19,487	408,100	(306,538)	-	121,049
SGN- Centre for Warmth	-	742,813	(581,557)	-	161,256
Total designated funds	308,389	1,444,009	(1,148,774)	(37,588)	566,036
General funds					
General funds	1,521,007	2,469,055	(2,263,388)	74,853	1,801,527
Non-charitable subsidiary funds	3,273	9,700	(4,749)	(4,323)	3,901
Pension liability	(14,431)		-	(32,942)	(47,373)
Total general funds	1,509,849	2,478,755	(2,268,137)	37,588	1,758,055
Total unrestricted funds	1,818,238	3,922,764	(3,416,911)	-	2,324,091
Total restricted funds	252,398	1,286,443	(1,126,966)	-	411,875
Total funds at 31 March 2025	2,070,636	5,209,207	(4,543,877)	-	2,735,966

25d Movement in total funds - prior year

	At 31 March 2023 £	Income and gains £	Expenditure and losses £	Transfers £	At 1st April 2024 £
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	43,544	-	-	20,358	63,902
John Lewis-Happy Healthy Homes	-	100,000	-	-	100,000
John Lewis- Building Better Future	-	189,432	(64,432)	-	125,000
Cadent- Centre for Warmth	-	175,000	(155,513)	-	19,487
Recovery and resilience programme	21,000	-	(21,000)	-	-
Total designated funds	64,544	464,432	(240,945)	20,358	308,389
General funds					
General funds	1,558,529	2,184,644	(2,202,831)	(19,335)	1,521,007
Non-charitable subsidiary funds	15,395	28,200	(23,877)	(16,445)	3,273
Pension liability	(29,853)	-	-	15,422	(14,431)
Total general funds	1,544,071	2,212,844	(2,226,708)	(20,358)	1,509,849
Total unrestricted funds	1,608,615	2,677,276	(2,467,653)	-	1,818,238
Total restricted funds	458,157	1,228,646	(1,434,405)	-	252,398
Total funds at 31 March 2024	2,066,772	3,905,922	(3,902,058)	-	2,070,636

Purposes of restricted funds

Liz & Bramell Foundation	Supporting families with social and economic challenges in Yorkshire area
Charles Gordon Foundation	Perinatal Mental Health support in Scotland
Army Central Fund	Grants for supporting work with service families
Corra Foundation	Scotland Third Sector Early Intervention Fund
Corra Foundation - The Promise Partnership	A Good Childhood - to support necessary shifts to help ensure children and young people grow up loved, safe and respected
DHSS & PS Northern Ireland	Revenue grant towards our work in Northern Ireland
Fidelity UK Foundation	Towards business intelligence project enabling more vulnerable families to achieve positive outcomes
John Lewis Partnership - Healthy Happy Home	Volunteer- up skilling Programme
John Lewis Partnership - supercharged communities	Give a Little Love campaign supporting superhubs
Masonic Charitable Foundation	Big Hopes Big Future®
Pears Family Charitable Foundation - Breathing space Fund	To provide support to LHS facing funding challenges, designed to keep services running while longer term funding is secured
Pears Family Charitable Foundation -NVRT	To enable trans formative focus on recruitment,training and the ongoing support of volunteers in volunteer recruitment and retention
Royal Navy & Royal Marines Charity	Family support to naval families
Small Trusts-CFP	Supporting mothers struggling with Cystic Fibrosis
Major Donor-Lockwood	Accelerating Volunteer Development programme and supporting documents

Purposes of designated funds**Fixed Asset Fund**

The fixed asset fund represents all unrestricted funds invested in fixed assets net of any associated liabilities.

John Lewis Fund

John Lewis Partnership - Healthy Happy Home	Volunteer-upskilling Programme
John Lewis Partnership - supercharged communities	Give a Little Love campaign supporting superhubs

Centre for Warmth grants (funded by SGN)- 36 LHS to allow them to form the energy advise groups, supporting families with warm spaces, draft making workshops, Centre for Warmth grants (funded by Cadent)- 28 LHS to allow them to form the energy advise groups, supporting families with warm spaces,draft making

Garfield Weston- For Expansion of Volunteer Programme

Tomoro Foundation

To support Home start UK with its charitable activities

Transfers - Transfers between unrestricted funds and designated funds are agreed by the trustees.

26 Reconciliation of income to net cash flow from operating activities

	2025	2024
	£	£
Net income/ (expenditure) for the reporting period (as per the statement of financial activities)	665,330	3,864
Depreciation charges	19,269	11,720
Loss on disposal/write off of fixed assets	22,954	30,000
Interest from investments	(57,525)	(47,477)
(Profit) on the disposal of investments	32,843	(58,511)
(Increase) in debtors	(19,450)	(42,851)
Increase in creditors	89,850	101,536
Net cash provided by operating activities	753,271	(1,719)

27 Analysis of cash and cash equivalents

	At 1 April 2024	Cash flows	At 31 March 2025
	£	£	£
Cash at bank and in hand	1,131,412	156,163	1,287,575
Short notice deposits held for investment	300,000	650,000	950,000
Total cash and cash equivalents	1,431,412	806,163	2,237,575

28 Operating lease commitments

The group and charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2025 £	2024 £
Less than one year	-	35,196
One to five years	-	11,732
	-	46,928

29 Legal status of the charity

The charity is a company limited by guarantee and has no share capital.

HOME-START UK

England & Wales - Charity number 1108837

Accounts



Home-Start UK

Annual report and group financial statements
For the year ended 31st March 2024

Home-Start UK
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Waterloo Way
Leicester
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w. www.home-start.org.uk

Home-Start UK, a company limited by guarantee, company no. 5382181
Registered charity England and Wales (1108837) and in Scotland (SC039172)



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Introduction from the Chair

As the Chair of Trustees, it is my privilege to introduce Home-Start UK's annual report for the year ended 31 March 2024. This year has been one of significant achievement and unwavering commitment to our mission of supporting families in their most critical times. Home-Start celebrated its 50th anniversary in 2023 and we have had the opportunity to reflect on the journey and the incredible work done over the years to build the organisation we have today. The culture and ethos established in those early days continues to be the bedrock of all that we do as a charity working alongside families.

The work done by Home-Start and its teams of volunteers across the UK is truly inspiring. We believe in the power of a happy and secure childhood and the pivotal role parents play in shaping their children's futures. Our approach is simple yet profound: Home-Start volunteers offer non-judgmental, confidential help and support tailored to the unique needs of each family, providing a lifeline to families navigating the complexities of raising young children.

Since 1973, Home-Start has been a beacon of hope for children and parents going through challenging times. 50 years on from the establishment of that single pioneering Home-Start in the city of Leicester, Home-Start has grown into a thriving nationwide movement of 9,000 volunteers supporting 78,000 children and their families every year.

Today the challenges facing families and the growing number of people needing our support require us to be bold in our collective ambition to ensure our work is stronger, wider-reaching, and more effective in the next 50 years, as we strive to reach more families and ensure no parent or family feels alone in the critical task of raising their children.

Meeting this need will require a strong and stable Home-Start UK and a sustainable network of local Home-Starts. Together With Families, the strategy developed by our federation during 2021, sets out a bold five-year vision for Home-Start centred around four shared commitments - summarised as impact, inclusion, growth and voice. It set ambitious targets to increase the number of families we are working with, and the number of volunteers who are giving their time to make it happen.

Two years into this strategic period, this annual report focuses on Home-Start UK's work this year and the impact of this for our volunteers, our network and for families and children. We have achieved so much - from securing funding and support for Home-Start's work, partnering with organisations to raise awareness and profile, developing training for staff and volunteers, sharing expertise and best practice from across the network and collectively celebrating our wonderful Home-Start volunteers. As we set out on our roadmap for the next three years of this strategy, we will be working closely with local Home-Start leaders and with our volunteers, funders and partners to build compassionate communities of support for families, grow our movement and innovate for the future.

Together we have achieved so much in our 50th year, yet our focus has always been to look forward. Together, we are making a lasting difference in the lives of children and families, building a foundation for a brighter, more hopeful future and ensuring children's early years are filled with the opportunities every child deserves. And together, we will make sure our work is stronger, wider reaching and more effective in the next 50 years.

Lin Hinnigan

Reference and administrative information

Company number	England and Wales: 5382181	
Charity number	England and Wales: 1108837, Scotland: SC039172	
Registered office	Arnhem House, Waterloo Way, Leicester, LE1 6LP	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Bushra Ahmed Ray Ayivor (Treasurer) Sheena Bolland Sophie Castell Naomi Dickson Barbara Firth Karen Graham Lin Hinnigan (Chair) Pearly Siffel Tara Spence Euan Wilmshurst Faiza Waheed Sarah Duxbury	
	Resigned 4 th July 2024	
		Resigned 27 th September 2023
		Resigned 20 th March 2024
		Retired 27 th September 2023
		Appointed 20 th March 2024
		Appointed 20 th March 2024
		Appointed 20 th March 2024
		Appointed 20 th March 2024
Key Management Personnel	Peter Grigg Vivien Waterfield	Chief Executive Deputy Chief Executive
Bankers	National Westminster Bank plc 1 Granby Street Leicester, LE1 6EJ	
Solicitors	Farrer & Co LLP 66 Lincoln’s Inn Fields, London, WC2A 3LH	
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor 110 Golden Lane, London, EC1Y 0TG	
Patron	HRH Princess Alexandra, The Hon Lady Ogilvy, KG, GCVO	
Founder	Margaret Harrison CBE (1938-2015)	
Honorary President	James Sainsbury OBE	
Vice President	Alastair Stewart OBE	

Trustees' annual report

The board of trustees presents its report and the audited financial statements for the year ended 31 March 2024. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the requirements of a directors' report as laid down by company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Purpose

Home-Start was set up in 1973 with its charitable objects as set out with the Charity Commission, for the relief of children or parents in despair and distress and the prevention of emotional, physical and mental abuse of such children.

Home-Start's collective ambition as a federation is to ensure that more parents can receive relational compassionate support at the earliest moment so that no parent or family feels alone in the critical task of raising their children.

Home-Start believes that children need a happy and secure childhood and that parents play the key role in giving their children a good start in life and helping them achieve their full potential.

Our story

A child's earliest years are irreplaceable. Without a stable, loving and nurturing environment, a very young child will not develop the vital foundations they need.

Home-Start is there for parents when they need us the most, because childhood can't wait.

Our local community network of trained volunteers and expert support helps families with young children through their challenging times.

Why we do it

The earliest years make the biggest impact. Home-Start makes sure those years count so that no child's future is limited.

How we do it

Home-Start offers no judgement, just compassionate, confidential help and support. Starting in the home, our approach is as individual as the people we're helping. Today and every day, in communities up and down the UK, Home-Start volunteers are working alongside families, helping them to change their lives for the better.

From Orkney to Guernsey and Enniskillen to Great Yarmouth, families are benefitting from the support of Home-Start's network of community-based volunteers and expert support. We're tackling some of the big issues facing families today, with more families than ever coming to us because they are struggling with:-

- Mental health and wellbeing
- Loneliness and isolation
- Building supportive, nurturing, loving relationships with their children
- Money worries and financial pressure.

Our strategy

In May 2022, we launched *Together with Families*, our first ever network-wide, Strategic Framework for 2022-2027. Together With Families helps align our work for families as a federated network, ensuring Home-Start UK's priorities are informed by a shared vision; and that local Home-Starts have the autonomy to adapt this to their own strengths and the context and needs of their communities.

Led by our passionate movement of volunteers, staff and supporters we identified four strategic commitments to bring this vision to life:

1. **GROWTH.** A collective ambition to reach significantly more families so that more parents with young children can access support in a way that works for them.
2. **VOICE.** Home-Start will stand alongside families to make the case for support so that more families avoid crisis as a result of receiving appropriate early support.
3. **INCLUSION.** Home-Start will advance inclusion and equity in all we do so that everyone feels included at Home-Start.
4. **IMPACT.** Local Home-Starts will be stronger together so that a thriving, collaborative UK-wide community of high-quality Home-Start provision is available for families with young children.

By 2027, through a vibrant, resilient, inclusive Home-Start movement we aim to:-

- Work directly with 50,000 families each year through home visiting and group work.
- Be powered by 20,000 active volunteers underpinning our Home-Start movement across the UK.
- Achieve greater diversity across Home-Start volunteers, trustees, staff and leadership, and in access to our support from under-represented groups.
- Work with our network to develop new models of partnership, delivery and services with the potential to radically scale our reach and accessibility for 200,000 families.

The year 2023-24 was our 50th anniversary since our founder Margaret Harrison set up the very first Home-Start in Leicester. It has been a year to reflect on the incredible work that has been done over the years to create the organisation that exists today, and how the culture and ethos established in those early days still underlies everything that we do. Fifty years on, it feels as though the world that families are forced to navigate is increasingly difficult, and that in many ways, Home-Starts work has never been more needed in the 50 years of its existence.

In 2023-24, we are particularly proud of the following achievements:

GROWTH. A collective ambition to reach significantly more families so that more parents with young children can access support in a way that works for them. In 2023 we worked with 43,000 an increase on the previous years. (2022-38,000 and 2021-26,000)

Celebrating 50 Years of Home-Start

- On 27 November, Home-Start UK's president, James Sainsbury, hosted a dinner to mark the 50th anniversary. The event was held at the RAC Club and was an opportunity for trustees and senior staff to thank and engage with funders and partners.

- Home-Start UK developed the Little Moments campaign to celebrate the millions of little moments that have impacted on families over the past 50 years. Building on this, in October, Home-Start UK also launched its Christmas fundraising campaign.
- Thanks to our corporate partner, BT, these campaigns featured on the BT Tower in London, as well as on BT Hubs in town and cities across the UK.

Ensuring Home-Start sustainability

- The Pears Foundation established the Breathing Space Fund, worth £1m to provide support to local Home-Starts who were facing funding challenges, and which is designed to keep services running while longer term funding is secured. So far, the Breathing Space Fund has provided funding of £525,000 to Home-Starts.

Supporting Home-Start development

- Home-Start received funding from the Kristian Gerhard Jebsen Foundation to continue to develop training and support for local Home-Starts in peri-natal mental health. In the previous two years Home-Start UK, and its peri-natal mental health lead had increased capacity in the network and this will allow us to invest in the development of this important area of our work.
- The Scottish Government announced its continuing support of our work with Home-Starts in Scotland for a further three years. The Scottish Government are also supporting additional work to support the workforce in Scotland deliver on work relating to 'The Promise'.

Corporate Partnerships

- Since 2020, Home-Start has worked with the John Lewis Partnership. In 2023 this saw a commitment from the John Lewis Partnership of £350,000 as part of their Building Happier Futures programme. Along with Action for Children and Who Cares? Scotland, inclusion in this programme recognises the role that Home-Start's work plays, both in supporting children on the edge of care and in improving outcomes for children so that families do not need the formal care system. Home-Start UK have also joined the Building Happier Futures Steering Group which is chaired by John Lewis Partnership chair, Sharon White, and includes representatives with lived experience of the care system, and external stakeholders. While the Healthy, Happy, Home programme that is supporting volunteer training won a Third Sector Business Award.

IMPACT - Local Home-Starts will be stronger together so that a thriving, collaborative UK-wide community of high-quality Home-Start provision is available for families with young children.

Supporting our volunteers

- Over the past 50 years volunteers have remained at the heart of Home-Start's work supporting families. Yet, along with the voluntary sector in general, Home-Start faces pressures to attract and retain volunteers. That is why we focus so much on training and development of our volunteers. 2023 saw 9,000 volunteers working in our federation. This is an 8% decline, which is less than the national downward trend in volunteering across the charity sector. We are increasing our efforts to address this decline, in our 2024-25 plans.

- Home-Start UK worked with local Home-Starts to carry out a large scale review of our volunteer course of Preparation, the training that every home visiting volunteer goes through before supporting a family. This work was led by Home-Start in Suffolk and will lead to an updated and improved course being launched in 2024.
- We also provided training to 62 Home-Starts on our school readiness programme, Big Hopes, Big Future, which has been funded by the Masonic Foundation, and which will be delivered through volunteers and staff to support families and make sure families know how they can be supporting their children's education and development in the earliest years.
- Home-Start UK launched four perinatal and infant mental health learning modules, which have been endorsed by AiMH UK, to train volunteers and staff in local Home-Starts to support positive emotional and cognitive development for parents and their children through our home visiting and group work.

Continuous improvement of safeguarding

- As an organisation that works with families and children, safeguarding is at the heart of our practice. Home-Start UK is committed to fostering a culture of reflective practice among Local Home-Starts, with an emphasis on enhancing safeguarding measures. We welcome the heightened transparency in incident reporting, which is instrumental in facilitating learning and fostering an environment of continuous improvement in this critical area.
- We launched our Home-Start Safeguarding Forum, where members of the network can come together and share best practice and work out ways to overcome challenges. This series of online forums has attracted approximately 40-50 signups for each session.
- We began reviewing and updating our Safeguarding Policies to reflect best practice when working with families and have been increasing the number of Home-Start UK Designated Safeguarding Leads to promote best practice and deal with significant incidents.
- We strengthened our Safeguarding Practice Group, which contains representatives from across the network to coordinate areas of our work, share practice and learn from national guidance.

Maintaining quality

- Home-Start UK plays a crucial role in helping local Home-Starts ensure that families can expect a consistent quality of support wherever they are in the UK. In 2023 Home-Start UK concluded a Quality Assurance Pilot and Evaluation phase and produced a detailed report with recommendations which we are implementing in 2024.
- The Quality Reference Group, which allows local Home-Starts to discuss and evaluate the new quality programme, continued to develop and Home-Start UK carried out the first 20 individual Home Start Quality Assurance reviews since restarting the process after the pandemic.

INCLUSION- Advancing inclusion and equity, in all we do. Making sure everyone feels welcome and included at Home-Start

Home-Start has committed to putting inclusion, equity and diversity at the heart of all that we do. This is why inclusion is one of the four pillars of Home-Start's strategic framework. To create compassionate communities of support for parents, so that no parent feels alone raising children, will require all organisations to be welcoming and supportive for everyone.

As well as being accessible and welcoming to parents and their children, Home-Start needs to be an organisation that can increase the diversity of its staff, volunteers and trustees so that we are more representative as an organisation of the communities in which we work.

Improving inclusion at Home-Start UK

- In 2023 Home-Start UK developed a Better Workplace Forum, where staff from across the organisation could work together to raise issues and suggestions. This forum is consulted on policies and practice.
- Home-Start UK has become more aware and inclusive of EEDI issues, thanks to our growing group of champions and our colleagues' interactions. We have improved our recruitment process to attract and represent more diverse candidates. We have also increased our engagement and learning from awareness days and sessions and challenged our assumptions and biases, including through training, and collective sharing sessions.
- We were proud that in 2023 Home-Start UK were shortlisted as finalists in the Diversity and Inclusion category at the Investors In People Awards, in recognition of our work in this area.
- In 2023 Home-Start UK began the process of reviewing and updating our people policies to ensure they are accessible and supportive of all.
- We have developed our recruitment processes, making our application and interview processes more open and accessible. Among the many changes we have made, we have introduced the process of sharing questions with candidates ahead of interview so they can give the best representation of their skills and expertise.

Supporting the network

- In 2023 we created an EEDI platform on the Home-Start network intranet, @Home, where we planned to share resources with the network and hold a discussion forum. We also conducted a Diversity Champions Poll, where we asked how Diversity Champions feel about their role, what is our purpose, what are our roles and activities, and how we can improve moving forward. We created an EEDI Statement to highlight our commitment to EEDI on our website.
- Throughout the year Home-Start UK recognises events and awareness days and builds them into our external communications activity, as well as its internal work with staff. In 2023 Home-Start UK focused on events including International Women's Day, Maternal Mental Health Week, Infant Mental Health Week, Black History Month and many religious and cultural celebrations.

Improving representation

- We have worked hard to increase the diversity and representation of both the families we support and the volunteers who work with them in our images and videos. By working with Home-Starts to identify families and volunteers who want to be ambassadors for Home-Start in this way we have increased the number of families and volunteers from a range of backgrounds and communities across the UK. We have made these images, videos and stories available to Home-Starts to use in their own communications, allowing Home-Starts to transform their visual communications.

VOICE - Standing alongside families to make the case for support so that more families avoid crisis as a result of receiving appropriate early support.

To mark our 50th anniversary Home-Start UK held an online celebration in November, hosted by Home-Start Norfolk patron and host of ITV's Loose Women, Trisha Goddard. Over 600 people attended online to hear stories of the impact that Home-Start's work has made over the past 50 years.

Our new film, The Reunion, told the story of Sam, her daughter Molly and their volunteer Marie. Marie supported Sam 20 years ago, when Sam was experiencing postpartum psychosis and our film brings Sam and Marie together for the first time since that support ended two decades ago, and Sam has a surprise for Marie – she has brought along Molly. This powerful story came to light during Home-Start's search for families who had been supported by Home-Start since 1973 and demonstrates perfectly the difference that Home-Start's support has decades into the future.

As part of Home-Start UK's 'Power of Little Moments' 50th Anniversary campaign we created a new animation voiced by comedian and TV star, Romesh Ranganathan, showing the power of little moments through the eyes of children.

Raising the voice of volunteering

- In January Home-Start held the first annual volunteer awards, recognising the incredible work that is being done by the 9,069 volunteers across the UK. Volunteers were recognised in six categories in a ceremony held online and viewed by more than 200 people, with Angela Gowdy from Home-Start Garioch named Volunteer of the Year for her 27 years of service to families in her community in the north east of Scotland.
- In October Home-Start hosted our first volunteering summit. Two days of online content around attraction, retention and reward in volunteering which included speakers from Age UK, BBC Children in Need, Groundwork, NCVO, Royal Opera House, Save The Children, The Scouts, The Samaritans, Vision for Volunteering, Volunteer Scotland, Waffle and more. The summit attracted at least 239 attendees over the two days from 92 different Home-Starts.
- In December, for the second year Home-Start took part in Good Morning Britain's 1 Million Minutes campaign which aims to attract volunteers. Throughout the month supporters pledged an incredible 6 million minutes to Home-Start, and 1,721 people registered their interest in giving their time to Home-Start.

Creating systematic change

- Home-Start is delighted to be supporting “Shaping Us” - a new campaign launched by HRH The Princess of Wales and the Royal Foundation to increase public understanding of the importance of the first five years of a child’s life and we joined the Shaping Us conference with the Princess of Wales and the Royal Foundation’s Centre for Early Childhood.
- Representatives from Home-Start Lakeland in Northern Ireland had the opportunity to meet the King during a visit to Enniskillen Castle, while Home-Start Kernow helped parents, babies and toddlers meet prime minister, Rishi Sunak MP, during a visit to promote family hubs.
- We responded to the England wide government consultation on the reforms to children’s social care, highlighting the huge gap between statutory thresholds and universal support that in some areas are being ‘dumped’ on the voluntary sector, including Home-Starts, without the funding. Government response to the consultation is due in September.

Our plans for the future

Together with Families, is our five-year strategic framework that sets out Home-Start’s vision for the future. It builds on our legacy of 50 years of standing alongside families in communities across the UK.

Home-Start UK have set the follow three-year Business Plan setting out their role to enable the Federation to deliver on these ambitions. These are:

- **One Home-Start:** We will do more to harness the collective power of the whole federation, and as one movement with many leaders, and will work across organisational boundaries to deliver greater impact for families.
- **Supporter led:** we will shift to an ‘audience-led’ approach that sees donors, funders and volunteers as partners in our mission and will create more ways for people to get involved in our work.
- **Data informed:** we will use data intelligently to understand our impact and identify areas for change and growth.
- **Collaborative:** we will build collaborations and alliances to help deliver our vision.
- **People and culture:** we will continue to build a positive, inclusive and purpose driven culture to deliver for the people who need us
- **Accelerating Impact:** we will seek out new approaches and partnerships that will speed up the pace and scale of our ambitions to meet the needs of more families.

We have set out three programmes of work use these cross-cutting themes.

Programme One: compassionate communities of support for families

Our primary task is to strengthen the Home-Start network and build compassionate communities of support around families through strong, sustainable local Home-Starts with volunteering at their heart.

Over the next 3 years we will:

- Build a sustainable, thriving and inclusive local Home-Start network, growing in areas of greatest need and accessible to all families who need us.

- Invest in the support, training and development of our volunteers and local leaders to enable them to thrive in their roles and provide high quality relational, compassionate support in their local communities.
- Build our capability to assess and demonstrate the impact of volunteer led compassionate, relationship-based support for families.
- Build partnerships with charities, and across the private and public sectors to help build strong supportive networks in communities.

Programme Two: building a wider movement

We want to increase the number of volunteers and supporters actively engaged with the Home-Start cause to secure the income, profile, volunteer capacity and influence to make change happen.

Over the next 3 years we will:

- Grow our movement of supporters who are actively engaged in helping us to meet our ambitions.
- Build an active network of volunteers to meet the growing need.
- Create more ways in which volunteers and organisations can contribute their time, resources and experience to our work so that together we can be there for those who need us.
- Make the case with policy and decision makers for why investment in early support for families is a national, regional and local priority.
- Work with families to ensure their voices are heard and they are shaping the services and systems there to support them.
- Build a strong, inclusive brand and voice that enables us to reach a wider range of audiences and engage them with our work

Programme Three: building strong foundations

We need to ensure we are building on strong foundations. This means making sure Home-Start UK has the people and resources we need to be a highly effective organisation able to deliver on the ambitions set out in this plan.

Over the next 3 years we will:

- Build our voluntary income to circa £5m a year, across a diverse range of income streams. We also want to increase the percentage of unrestricted income we have so we have the flexibility to spend our funds where they are needed most.
- Value all our people and create a healthy, supportive environment in which they can thrive.
- Make the best use of digital technology to improve how we operate.
- Build service design insight, capacity and experience into our work at Home -Start UK and in the Home-Start federation.
- Foster an inclusive, diverse and workplace and organisational culture.

Activities

Home-Start's beneficiaries are families struggling to cope with the stresses and strains of bringing up children in the face of mental and physical illness, poverty, homelessness, disability and other pressures. Home-Start UK seeks to support these families by providing support to a network of 180 independently run local Home-Starts. As a national federated charity, Home-Start UK provides a range of support for our local Home-Starts. We work closely with the network to support the growth and sustainability of the Home-Start service. We provide information and guidance to enhance the quality of our services and research to improve and influence the development of services for

families. We support the smooth running of local Home-Starts, set and measure quality standards and provide training to make sure all our families get the same high standard of service. We also use our website and national presence to connect families and referrers to their local Home-Starts.

Public benefit

The board of trustees confirms it has complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

Organisational structure

Home-Start UK is a charity constituted as a company limited by guarantee in England and Wales, governed by a board of trustees. The Home-Start network consists of Home-Start UK together with 180 local Home-Starts, affiliated to Home-Start UK through a legal agreement. Local Home-Starts are separate charities in their own right and are responsible for their own financial affairs and statements. The total income of local Home-Starts is £38million, which together with Home-Start UK's group income of £4million gives the total Home-Start network income of £42 million.

Home-Start UK owns 100% of the issued equity share capital of Home-Start Consultancy Limited, a company incorporated in England. The subsidiary undertaking commenced trading during 2020-21.

Governance and management

Our Board of Trustees, who are also Directors of the Charity for the purposes of the Companies Act, have overall responsibility for setting the strategy of the Charity. Our Chief Executive, working with the Senior Leadership Team is responsible for delivering the Board's vision and strategy and for its day-to-day operations.

When seeking to fill vacancies on the board, the trustees identify the particular skills and expertise needed to cover the work of the board and prioritise these during the recruitment process. In an attempt to increase the diversity of the board's membership we advertise widely for new trustees, and ensure, throughout the recruitment process, that all applicants from a wide variety of backgrounds have an opportunity to succeed.

A panel of trustees interview all prospective trustees to determine that they have the required skills to contribute to the charity's management and development. New appointments are ratified by the full Board of Trustees. Trustees serve for an initial term of three years, and subject to review and the approval of the board, may serve a second period of three years. When trustees are appointed, they are given a formal introduction to the work of the charity and the information they need to fulfil their roles as charity trustees and company directors. The trustee board meet quarterly plus two additional meetings to focus on Board development and strategy.

A Finance Committee, with members with specific knowledge and experience in finance and fundraising, meet four times per year and report to the board.

An Impact Committee, which includes the Board's lead trustee for safeguarding, meets between two and four times per year to oversee issues of quality, impact and network development and support the strategic governance of the impact of work across the Home-Start federation.

The charity provides third party indemnity insurance provision on behalf of the board of trustees.

Related parties and Home-Start Worldwide

Home-Start UK provides model operating policies, guidance and procedures for our network of 180 local Home-Starts.

Home-Start Worldwide sustains the development of Home-Starts across the world. In 2023-24 there were Home-Starts operating in 22 countries and five continents.

Home-Start UK owns 100% of the issued equity share capital of Home-Start Consultancy Limited, a company incorporated in England. Related party transactions during the year are shown in Notes 12 in the group financial statements. Home-Start Consultancy Limited undertakes commercial activities on behalf of the parent company Home-Start UK.

Financial review

Our Previous year - 2022-23

We invested in the foundational structure from our designated funds. Restricted and designated funds at the start of this financial year represented the volume of projects which were outstanding, restricted reserves of £1.24m and designated reserves of £1.29m. The programme of strategic changes was funded by designated funds. These changes allowed us the capacity, within our staff structure and system abilities, to complete most of the outstanding restricted project work. An adjustment due to the accrual recognitions standard has been made to the 2022-23. The grants distributed have been accounted in 2023-24. £458k of restricted funds remained.

This reported year - 2023-24

The year-ending 31st March 2024 has been a strong year. We have secured income of £3.85m and expended £3.88m. The year resulted in a £0.03m deficit, this was significantly under the planned budgeted deficit of £0.48m. This outcome stems from a strategic moderation in activities, prioritising meticulous planning and execution of new initiatives, which yielded substantial efficiency savings. It is important to acknowledge the tough decisions made, including staff reductions that led to redundancies. These were difficult choices that affected our team and slightly reduced our support capacity, yet they were necessary steps to ensure our long-term sustainability and ability to continue delivering impactful support to our network.

The Group Balance Sheet, which includes Home-Start UK and its subsidiary, Home-Start Consultancy, as of 31 March 2024, confirms a marginal increase in net assets to £2.07m (2022-23: £2.07m), with £0.25m (2022-23: £0.46m) allocated to restricted funds. The overall net increase of £0.00m is the result of a £0.03m decrease in unrestricted funds, offset by a £0.24m increase in designated funds and a £0.21m decrease in restricted funds. The pension reserve level accurately reflects the net present value of the agreed deficit recovery payments up to 2025, as required by FRS 102. In balance sheet the deficit recovery payments up to March 2025 are included in short-term liabilities under current liabilities.

Total income for the group for the year was £3.85m, an increase of 0.2% on the previous financial year (2022-23: £3.84m). As detailed in Note 3 in the accounts, income from charitable activities

comes from a mixture of government grants, support from trusts, foundations and corporate partners and a membership levy charged to local Home-Starts.

As part of the Home-Start Agreement (the legal agreement between local Home-Starts in our federation and Home-Start UK) local Home-Starts pay a membership levy to Home-Start UK. The levy is 1.8% of a local Home-Start's income from their previous financial year. The benefits of this include permission to use the Home-Start brand and resources, including safeguarding, volunteer recruitment, quality assurance, training and governance. Local Home-Starts maintain autonomous financial governance and are accountable for their distinct income streams. This income is not reflected in the federation's financial statements and totals an estimated £34 million per annum.

Our total operating expenditure was £3.88m (2022-23: £5.72m), a reduction from the previous year of £1.84m. This was primarily due to the completion of several significant projects, which were financed through designated and restricted reserves. In contrast, the 2023-24 project timeline and related expenses have been more evenly distributed, resulting in a substantial cost variance of £1.35m. A thorough examination of our annual expenses during the budgeting phase identified areas for cost reduction, achieving an annual cost saving of £0.3m. 85% of our 2023-24 expenditure (2022-23: 91%) was allocated to support Home-Start UK's charitable activities. A core activity of Home-Start UK is to create and broker funding opportunities for the wider Home-Start network. Grants to local Home-Starts are secured from a range of funders and are subject to a due diligence process. They are only committed once a bespoke grant agreement has been signed by the local board of trustees. The total grant issued this fiscal year was £0.63m (2022-23: £0.62m). Note 7 of the accounts outlines the details of these grants.

The cost of raising funds in the year represented the remaining 15% (2022-23: 9%) of operating expenditure. The increase in the year is as a result of new staff and central support functions added to enable new income streams.

Our Budget and future targets 2024-25 and 2025-26

The Board has thoroughly evaluated our detailed plans, aligning them with our long-term objectives and strategic vision. After a comprehensive review of associated risks, we are confident that our financial plans and the accompanying risk management strategies are robust and will sustain our growth target. Our voluntary income secured offers a promising future and shows remarkable commitment from our donors, funders, and partners.

In the fiscal year 2023-24, we have notably expanded our fundraising capabilities, achieving substantial progress in voluntary income generation. This success is largely attributed to our three core programs, which have been pivotal in effectively conveying our mission to our supporters and clearly delineating the expected impactful outcomes of their contributions.

The financial outlook for the fiscal year 2024-25 is one of stability and cautious optimism. The budget reflects a net zero movement on general reserves, with an income target set at £4.36m, which is projected to increase modestly to £4.46m in the subsequent year. We are committed to keeping our levy income consistent and aim for growth through voluntary income, driven by enhanced support from corporate entities, trusts, foundations, and individual contributors.

Reflecting on the previous year, we have reinforced our financial and operational stability. Key partnerships have been both initiated and strengthened, particularly with Cadent Gas Limited and Scotia Gas Networks Limited, which have expanded our corporate support network. The ongoing support from the John Lewis Partnership PLC and British Gas Services (Commercial) Limited has been invaluable.

Our trusts and foundations portfolio remains robust, and we extend our heartfelt thanks to The Pears Family Charitable Foundation for their commitment to our federation's movement.

The honour of being chosen as a charity partner by the People's Postcode Lottery marks a significant milestone in our journey.

The generous contributions of our individual supporters have been instrumental in Home-Start's growth, providing not only financial donations but also raising awareness and dedicating personal time. We are committed to continually improving the experience for our supporters, acknowledging the significant impact of their devoted commitment, which is essential to the vitality and progression of the Home-Start movement.

We are committed to financial efficiency and effectiveness, ensuring that our skilled workforce is well-supported to reach their full potential. Our staffing constitutes a substantial part of our expenditure, accounting for approximately 53% of the overall budget in 2024-25, with 50 full-time equivalents allocated. Our income targets will allow for further staff capacity, we anticipate increasing our workforce within the next two years, enhancing our delivery capabilities.

To maintain financial prudence, we have implemented a strategic plan for staff growth and project delivery. Our risk analysis and complex controls ensure that we remain on course, while the modernization of our financial systems has provided deeper insights into our expenditures. Investments in digital advancements have further streamlined our operations, making capacity building more efficient.

2024-25 Expenditure Overview:

- Compassionate communities of support for families - £1.95m
- Building a Wider Movement - £1.47m
- Strong Foundations - £1.13m

The demand on our network is forever increasing as more families struggle each year. The expansion of our income and services at Home-Start UK is crucial to enable local Home-Starts to meet these challenges. Our commitment to these families remains unwavering, as we continue to strive for excellence in all our endeavours.

Investment policy

The Memorandum and Articles of Association give the Trustees unrestricted powers of investment. The charity's current investment strategy is to deposit the majority of funds in short and medium term interest bearing accounts with UK banks and building societies.

CCLA were chosen as a charity specialist investment manager with strong governance and a clear approach to responsible and ethical investments designed to reflect the nature of the charities they serve. During 2023-24, no further funding was added to the Fund. Unrealised gain of £58K during the

year resulted in a net balance in this Fund of £705K as of 31st March 2024 (2022-23: £646K). As this investment is intended to be held in excess of one year, the investment fund has been classed as a Fixed Asset Investment on the Balance Sheet.

Our funders

Home-Start UK enjoys support from a wide range of funders. We take great care to ensure they receive the maximum value for every penny they give. We would like to thank all the organisations, corporate partners and individuals who have funded Home-Start UK during 2023-24 and we look forward to working with them in future years. We are grateful for their ongoing support, generosity and passion for Home-Start and the families we support together.

Risk management and internal control

Home-Start UK operates a risk register reflecting its strategic plan and key operational risks. The strategic plan contains specific actions designed to mitigate all of the risks identified in the risk register.

Since Home-Start works with children and families at risk of harm, we consider safeguarding and child protection the greatest area of inherent risk with our work. Home-Start UK has developed a comprehensive framework of consents, controls, policies and reviews to ensure local Home-Starts fulfil their safeguarding/child protection responsibilities and deal with any concerns rapidly and sensitively. Home-Start UK asks local Home-Starts to report data breaches and safeguarding reputational threats against set criteria. Our Impact Sub Committee was created as a governance layer to support the protection and safeguarding of at risk groups. They report quarterly to the trustee board on safeguarding issues, emerging themes, staff training and reportable incidents. Staff across the network team have received DSO training, as the direct contact for safeguarding concerns and reportable incidents.

Maintaining an effective oversight and management of risk is a central responsibility of the Board of Trustees but to support the Board, each of our formal sub committees takes a direct role in leading on the ongoing review of a group of identified risks. This is complemented by an annual review of the risk by the Board and the ability to dive into any risk at any stage as deemed relevant by trustees and the senior leadership team as well as to test the effectiveness of our approach to risk management.

The management of risk is structured through a clear delegation process as outlined below:-

Finance Sub Committee -

- Inability to balance Home-Start UK's core income and expenditure, cash flow and reserves.
- Inability to secure future income in line with plans with funders, supporters and partners.
- Failure to comply with regulatory and legal requirements around financial controls, governance and data results in a loss of reputation or penalty.
- Systems failure, cyber-attack or fraud present significant compromise to Home-Start UK's ability to operating including in a remote environment.

Impact Sub Committee -

- We are unable to measure and communicate our impact for families in order to position ourselves effectively with funders and decision-makers.

- A safeguarding or child protection issue, or failure of Home-Start UK, results in harm and loss of trust and reputation among key stakeholders.
- Concerns around governance, compliance, financial controls, practice or lack of volunteers in local Home-Starts lead to operational failure in the Home-Start network.
- Lack of financial sustainability or income diversification across the Home-Start network reduces our federations' longer term ability to serve families.

Senior Leadership team -

- We are insufficiently agile as an organisation and a federation to respond to turbulence in our environment and to recover from the pandemic.
- We are unable to maintain positive, effective relationships with the Home-Start network to enable us to deliver for families.
- Inability to respond to the sector challenges around diversity and inclusion leaves Home-Start vulnerable to reputational criticism.
- Our staff are unable to deliver our ambitions because of capacity, lack of skills, poor wellbeing, or burnout/disengagement.

Remuneration policy

The Finance Committee, on behalf of the trustee board, consider and set staff pay. A non-contractual health care provision is in place for all staff as an additional benefit.

We review staff job descriptions annually as part of an annual appraisal process and the senior leadership team consider any proposals for amendments to roles and remuneration.

The Board sets the chief executive pay level taking into account pay levels in other similar sized charities. The Board also considers any proposed changes to roles and remuneration for executive staff on the senior leadership team. Trustees are entitled to claim expenses but do not receive any remuneration for their time. Trustee expenses are shown in Note 10 of the group financial statements.

Reserves policy and going concern

During the year the trustees have reviewed the level of reserves they believe are required to fund the work of Home-Start UK.

Free reserves are held for working capital resilience, each year the target is determined using a nuanced approach, that provides a calculated X months of free reserves not including fixed assets and funds set aside in key areas.

The Trustees have established a minimum free reserves level at £1.2m, which represents 3.2 months of projected revenue expenditure. This level is supplementary to the target reserves, which are set at £1.49m, and serves as a risk indicator as we progress towards our growth objectives. The reserve target is based on a calculated consideration of the working capital requirements necessary for different aspects of the organisation's expenditure (principally salaries, overheads and Liabilities relating to contracted commitments). The Trustee ensures diligent oversight of the reserves through systematic reviews within the framework of monthly management accounting procedures and a comprehensive evaluation on a quarterly basis as part of the strategic financial risk assessment protocol.

At 31 March 2024, free reserves were £1.50m (2023: £1.54m). This equates to 4.8 months revenue expenditure (2023: 4.2 months).

Following a comprehensive evaluation of the reserves and strategic planning activities conducted throughout the year, the trustees have determined that the charity possesses adequate reserves to maintain its operations as a going concern. After thorough deliberation of the charity's budgets, forecasts, cash flow projections, reserve levels, and financial arrangements, the trustee board has ascertained that there are no significant uncertainties that would affect Home-Start UK's ability to operate for a minimum of 12 months.

Fundraising regulator

Home-Start UK fully supports the self-regulation of fundraising and is committed to providing its supporters with the best possible levels of service.

Home-Start UK is registered with the Fundraising Regulator. We work within the guidelines and standards as set out by the Charity Commission and the Fundraising Regulator to ensure the protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Home-Start UK maintains a formal complaints procedure. During the 2023-24 period, after initiating contact with individuals based on legitimate interest, we received one complaint regarding fundraising. This issue pertained to an unfulfilled Fundraising Preference Service request. In accordance with our formal complaint procedures, we addressed and resolved the matter promptly. We are committed to always listening to our supporters and putting them at the heart of our work. A subsequent review of our procedures in this area has ensured a better experience for all those who participate in fundraising challenge events on our behalf.

On occasion our federated structure can mean that some donations intended for a local Home-Start come through to Home-Start UK in error. We do all we can to avoid this happening but where we have been notified of a donation that was intended for a local Home-Start having been sent to Home-Start UK we have forwarded the amount in question to the relevant local Home-Start in line with the donor's wishes.

Our directly employed fundraising team undertakes the majority of our fundraising work. However, because of the specialist nature of some of the work, we do from time to time work with external agencies for creative, digital and marketing support to help us communicate effectively with donors and potential donors. We require these contractors, as a minimum, to operate within the remit of the fundraising regulator TPS framework, the GDPR framework and our own fundraising guidelines and monitor each contract on an ongoing basis to make sure operators comply with these requirements.

Protecting our data

We take the protection of our clients' data extremely seriously. We are particularly alert to potential cyber-attacks and other external threats and to the changing regulatory environment signalled by the introduction of the General Data Protection Regulation (GDPR). Really Good Data Protection (RGDP) are our external Data Protection Officer.

Equity, Equality, Diversity and Inclusion policy

Home-Start UK's goal is to be truly inclusive, benefit from diversity and appreciate everyone for their contribution and welcome and value difference. We treat everyone with respect and offer equal chances to participate. Our Strategic Framework, launched in May 2022, places a specific focus on advancing inclusion.

Home-Start UK has high standards and we will investigate and take action on any reports of practice, which trustees, staff, volunteers or families believe to be unfair or discriminatory. Performance is checked through Home-Start Quality Assurance assessments and reviews. Home-Start UK is certified to ISO 9001.

As described earlier, in 2022, we launched a new EEDI Action Plan that reports into the Trustee Board. This plan and our progress is made publicly available on our website. We have created a diversity champions group and compile surveys of staff to measure our progress as an employer and use the results from these to inform future planning and targets. We fully comply with our obligations under the Equality Act 2010.

We take seriously our role as a charity and central body within a federation to challenge inequality, use data to build understanding and action, become a more inclusive employer, enhance the representativeness of our Boards and instil greater cultural confidence of Home-Start UK and the wider network.

Statement of responsibilities of the trustees

The trustees (who are also directors of Home-Start UK for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the 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 Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2024 was 11 (2022-23: 9). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report was approved by the trustees on 04 October 2024 - and signed on their behalf by the chair.

Lin Hinnigan

Chair of Board of Trustees

Opinion

We have audited the financial statements of Home-Start UK (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2024 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2024 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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) Regulation 2006 (as amended)

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 Home-Start UK's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the finance committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

07 November 2024

for and on behalf of Sayer Vincent LLP, Statutory Auditor

110 Golden Lane, LONDON, EC1Y 0TG

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2024

								Restated	Restated
	Note	Unrestricted £	Designated £	Restricted £	2024 Total £	*Unrestricted £	*Designated £	Restricted £	2023 Total £
Income from:									
Donations	2	1,026,689	289,432	288,175	1,604,296	749,423	52,500	30,000	831,923
Charitable activities									
Standing Alongside Families	3	291,026	-	222,577	513,603	278,342	-	357,081	635,423
Standing Together	3	505,222	175,000	551,524	1,231,746	263,678	35,000	396,711	695,389
Growing our Movement	3	234,513	-	166,370	400,883	174,921	-	103,870	278,791
Gift in kind		-	-	-	-	1,310,895	-	-	1,310,895
Other trading activities	4	49,406	-	-	49,406	45,791	-	-	45,791
Investments	5	47,477	-	-	47,477	39,201	-	-	39,201
Total income		2,154,333	464,432	1,228,646	3,847,411	2,862,251	87,500	887,662	3,837,413
Expenditure on:									
Raising funds	6	118,513	64,432	390,007	572,952	266,652	138,867	79,721	485,240
Charitable activities									
Standing Alongside Families	6	709,025	5,040	118,641	832,706	507,059	367,124	747,247	1,621,430
Standing Together	6	827,716	167,483	709,573	1,704,772	424,442	606,158	588,537	1,619,137
Growing our Movement	6	549,622	3,990	216,184	769,796	190,534	234,430	258,354	683,318
Gift in kind		-	-	-	-	1,310,895	-	-	1,310,895
Subtotal of operating expenditure		2,204,876	240,945	1,434,405	3,880,226	2,699,582	1,346,579	1,673,859	5,720,020
Increase in pension liability	23	21,833	-	-	21,833	23,052	-	-	23,052
Total expenditure		2,226,708	240,945	1,434,405	3,902,058	2,722,634	1,346,579	1,673,859	5,743,072
Net (expenditure)/income before investment gains		(72,375)	223,487	(205,759)	(54,647)	139,617	(1,259,079)	(786,197)	(1,905,659)
Net gains/(loss) on investments		58,511	-	-	58,511	(24,353)	-	-	(24,353)
Net income/(expenditure) for the year	9	(13,864)	223,487	(205,759)	3,864	115,264	(1,259,079)	(786,197)	(1,930,012)
Transfers between funds		(20,358)	20,358	-	-	(35,238)	35,238	-	-
Net movement in funds		(34,222)	243,845	(205,759)	3,864	80,026	(1,223,841)	(786,197)	(1,930,012)
Reconciliation of funds:									
Total funds brought forward		1,544,071	64,544	458,157	2,066,772	1,464,045	1,288,385	1,244,354	3,996,784
Total funds carried forward		1,509,849	308,389	252,398	2,070,636	1,544,071	64,544	458,157	2,066,772

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 25(a to d) to the financial statements.

As at 31 March 2024

	Note	The Group		The Charity	
		2024	<i>Restated</i> 2023	2024	<i>Restated</i> 2023
		£	£	£	£
Fixed assets:					
Tangible assets	14	63,902	43,544	63,902	43,544
Listed investments	15a	704,916	646,405	704,916	646,405
Shares in group undertaking	15b	-	-	100	100
		768,818	689,949	768,918	690,049
Current assets:					
Debtors	18	348,670	305,819	393,391	385,829
Short notice deposits held for investment		300,000	1,000,000	300,000	1,000,000
Cash at bank and in hand		1,131,412	447,733	1,075,901	345,620
		1,780,083	1,753,552	1,769,292	1,731,449
Liabilities:					
Creditors: amounts falling due within one year	19	(478,265)	(363,624)	(470,846)	(357,016)
Net current assets		1,301,818	1,389,928	1,298,445	1,374,433
Total assets less current liabilities		2,070,636	2,079,877	2,067,363	2,064,482
Creditors: amounts falling due after one year	21	-	(13,105)	-	(13,105)
Total net assets		2,070,636	2,066,772	2,067,363	2,051,377
The funds of the charity:	25				
Restricted income funds		252,398	458,157	252,398	458,157
Unrestricted income funds:					
Designated funds		308,389	64,544	308,389	64,544
Pension reserve		(14,431)	(29,853)	(14,431)	(29,853)
Non-charitable subsidiary funds		3,273	15,395	-	-
General funds		1,521,007	1,558,529	1,521,007	1,558,529
Total unrestricted funds		1,818,238	1,608,615	1,814,965	1,593,220
Total funds		2,070,636	2,066,772	2,067,363	2,051,377

Approved by the trustees on 04 October 2024 and signed on their behalf by

Lin Hinnigan
Home-Start UK, Chair of Trustees

Consolidated statement of cash flows

For the year ended 31 March 2024

	Note	2024 £	Restated £	Restated 2023 £
Cash flows used in operating activities				
Net cash used in operating activities	26	(1,719)		(1,421,265)
Cash flows from investing activities:				
Interest from investments		47,477	39,201	
Purchase of tangible fixed assets		(62,078)	(50,316)	
Net cash used in investing activities		(14,601)		(11,115)
Change in cash and cash equivalents in the year		(16,320)		(1,432,380)
Cash and cash equivalents at the beginning of the year		1,447,733		2,880,113
Cash and cash equivalents at the end of the year	27	1,431,413		1,447,733

1 Accounting policies

a) Statutory information

Home-Start UK is a charitable company limited by guarantee and is incorporated in England and Wales, and Scotland. The registered office address and principal place of business is Arnhem House, 31 Waterloo Way, Leicester, LE1 6LP.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Home-Start Consultancy Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The wholly-owned subsidiary became operational on 1st November 2020.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgments, for example in respect of significant accounting estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgments affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation 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. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, 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 services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Investment income is earned through holding assets for investment purposes. It may include dividends and interest. It is included when the amount can be measured reliably.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1 Accounting policies (continued)**i) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Standing alongside families relates to the costs incurred in making the case for support to help more families avoid crisis as a result of receiving appropriate early support.
- Stronger together relates to the costs of a thriving, collaborative UK-wide community of high quality Home-Start provision for families with young children
- Growing our movement relates to a collective ambition to reach significantly more families and in a way that works for them

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Where directly attributable resources expended are allocated to the particular activity where the cost relates. Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure. Similarly where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- | | |
|-------------------------------|-----|
| • Standing alongside families | 22% |
| • Stronger together | 44% |
| • Growing our movement | 20% |
| • Cost of raising funds | 14% |

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-------------------------|-----|
| • Fixtures and fittings | 15% |
| • Computer Equipment | 33% |
| • Information system | 15% |

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) Fixed asset investments

Investments are a form of non-basic financial instrument and are initially recognised at their transaction value and subsequently measured at fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

1 Accounting policies (continued)**p) Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

q) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 30 days and 12 months.

r) Cash at bank and in hand

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

s) Creditors and provisions

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.

t) Financial instruments

The charity has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities. Full details are given in the financial instruments note.

u) Pensions

Home-Start UK makes contributions into a defined benefit pension scheme, which is now closed and a number of defined contribution schemes. The defined benefit scheme is a multi-employer scheme and it is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. Home-Start UK has recognised its liability for past service deficits for this scheme and these are noted as a liability and in the pension reserve. The assets of the various schemes are held separately from those of Home-Start UK in independently administered funds. Employer contributions are charged in the Statement of Financial Activities as they fall due.

2 Income from donations

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Individual donations	191,790	-	191,790	215,305	-	215,305
Corporate partnership donations	846,490	-	846,490	421,053	-	421,053
Trust/foundation donations	102,362	288,175	390,537	75,200	-	75,200
Cost of living appeal	9,030	-	9,030	84,708	30,000	114,708
Christmas Appeal	-	-	-	3,500	-	3,500
Coronavirus Job Retention Scheme	-	-	-	-	-	-
Legacies	166,449	-	166,449	2,157	-	2,157
	<u>1,316,121</u>	<u>288,175</u>	<u>1,604,296</u>	<u>801,923</u>	<u>30,000</u>	<u>831,923</u>

Donations

Income received from charitable trusts, corporate partners, charity challenges and individual givers for our work across the UK. Individual donations decreased as the UK economy experienced an increase in the cost of living which has an impact on individual givers. Corporate partnership donations decreased as our partnerships with some major corporates can to an end as new ones are negotiated

Notes to the financial statements

For the year ended 31 March 2024

3 Income from charitable activities

Funding is allocated to either the most relevant strategic workstream or, where appropriate, proportionally across multiple workstreams.

			2024		Restated	Restated
	Unrestricted	Restricted	Total	Unrestricted	Restricted	2023
	£	£	£	£	£	Total
						£
Standing Alongside Families						
40%- Membership Levy	291,026	-	291,026	259,842	-	259,842
40%-Corra Foundation (Scotland)	-	82,740	82,740	-	82,740	82,740
30%-DHSS Family Policy Unit (Northern Ireland)	-	5,670	5,670	-	11,345	11,345
Department of Digital, Culture, Media and Sport	-	-	-	-	-	-
100%-Scottish Government	-	66,667	66,667	-	200,000	200,000
Support from trusts and foundations-100% RNRMC &	-	67,500	67,500	-	62,996	62,996
Support from corporate partners	-	-	-	18,500	-	18,500
Sub-total for Standing Alongside Families	291,026	222,577	513,603	278,342	357,081	635,423
Standing Together						
40%- Membership Levy	291,026	-	291,026	259,842	-	259,842
40%- Corra Foundation (Scotland)	-	82,740	82,740	-	82,740	82,740
70%-DHSS Family Policy Unit (Northern Ireland)	-	13,229	13,229	-	26,471	26,471
Department of Digital, Culture, Media and Sport	-	-	-	-	-	-
Community Fund (various grants)	-	-	-	-	-	-
40%-Support from trusts and foundations+100% KGJ	169,375	375,000	544,375	26,000	187,500	213,500
Support from corporate partners	218,205	80,555	298,760	11,968	100,000	111,968
Training events	-	-	-	-	-	-
Sales of material and publications	1,616	-	1,616	868	-	868
Sub-total for Standing Together	680,222	551,524	1,231,746	298,678	396,711	695,389
Growing our Movement						
20%- Membership Levy	145,513	-	145,513	129,921	-	129,921
20%-Corra Foundation (Scotland)	-	41,370	41,370	-	41,370	41,370
Department of Digital, Culture, Media and Sport	-	-	-	-	-	-
60%- Support from trusts and foundations+100% Garfi	89,000	125,000	214,000	39,000	62,500	101,500
Support from corporate partners	-	-	-	6,000	-	6,000
Sub-total for Growing our Movement	234,513	166,370	400,883	174,921	103,870	278,791
Total income from charitable activities	1,205,762	940,471	2,146,233	751,941	857,662	1,609,603

Membership Levy

The membership levy is received from local Home-Starts who each contribute 2% of 90% of their income from the previous financial year in line with the Home-Start agreement. The levy is not a payment for specific services and the support of an individual local Home-Start does not vary according to the amount that they pay each year. During 2023-24, the levy was capped at £12,000 for individual local Home-Starts (2022-23: £12,000).

Government Grants

A grant was received from DHSS Family Policy Unit of £18,899 (2023: £37,815) for our work in Northern Ireland. A grant was received from the Corra Foundation of £206,850 (2023: £206,850) for our work in Scotland. The Scottish Government supported our work during the pandemic totalling £0 (2023: £200,000) for a further winter support fund and family focus groups.

Support from the Community fund, corporate, trusts and foundations

Grants were received to support our work across the UK with continued support in specific areas across the UK. A number of trusts and foundations continued to support our work started in previous years: Dulverton Trust £0 (2023: £30,000) , Cadent £175,000(2023:£0.00)for our Breathing Spaces project and from KGJ Foundation £143,375 (2023:£0) for perinatal mental health support. The roll out and development of Big Hopes Big Future® in England and Wales is funded by the Masonic Charitable Foundation in 2024 for £87,638 (2023: £0). Funding was drawn from Army Central Fund of £57,500 (2023: £53,000) for our work with army families and we received £10,000 (2023:£53,000) for partnership with The Royal Navy and Royal Marines Charity for work with naval families.

Notes to the financial statements

For the year ended 31 March 2024

4 Income from other trading activities

	Unrestricted £	Restricted £	2024 Total £	Unrestricted £	Restricted £	2023 Total £
Subsidiary trading income-JLP licence fees	28,200	-	28,200	21,198	-	21,198
Other	21,206	-	21,206	24,593	-	24,593
	<u>49,406</u>	<u>-</u>	<u>49,406</u>	<u>45,791</u>	<u>-</u>	<u>45,791</u>

5 Income from investments

	2024 £	2023 £
Bank Interest	28,681	20,406
Interest from fixed asset investments	18,795	18,795
	<u>47,477</u>	<u>39,201</u>

All income from investments is unrestricted.

6a Analysis of expenditure (current year)

	Charitable activities						2024 Total £	2023 Total £
	Cost of raising funds £	Standing alongside families £	Stronger together £	Growing our movement £	Governance costs £	Central support costs £		
Staff costs (Note 10)	378,004	300,506	645,414	241,894	-	812,320	2,378,138	2,636,630
Recruitment	9,530	1,525	3,621	1,207		6,679	22,562	10,231
Travel	10,766	6,099	12,574	5,060		15,531	50,030	66,449
Office Costs	11,516	16,679	39,339	13,124	-	286,490	367,148	346,082
Internal Meetings	127	141	337	112	1,275	594	2,586	4,422
Grants to local Home-Starts (Note 7)	-	86,010	448,120	93,510	-	-	627,640	820,892
Technical advice and support (Note 8)	23,118	35,386	109,987	32,535	-	17,787	218,813	280,798
Training and development	18,730	6,662	19,921	5,273	-	19,390	69,976	185,577
Depreciation and loss on disposal	-	-	-	-	-	11,720	11,720	15,079
Fundraising materials/events expenses	24,121	7,253	17,229	5,742	-	-	54,345	61,264
Audit fees/legal and professional	10,734	5,371	12,705	4,301	18,750	24,407	76,268	174,501
Evaluation, scaling & dissemination	-	-	-	-	-	-	-	3,200
	486,646	465,632	1,309,247	402,758	20,025	1,194,918	3,879,226	4,605,125
Central support costs	84,987	360,506	388,956	360,469	-	(1,194,918)	-	-
	-	-	-	-	-	-	-	-
Governance costs	319	6,569	6,569	6,569	(20,025)	-	-	-
Total expenditure 2024	571,952	832,707	1,704,772	769,796	-	-	3,879,226	4,605,125
Total expenditure 2023	602,106	1,679,933	1,479,099	647,987	-	-	4,409,125	

6b Analysis of expenditure (prior year) (restated)

	Charitable activities						2023 Total £
	Cost of raising funds £	Standing alongside families £	Stronger together £	Growing our movement £	Governance costs £	Central support costs £	
Staff costs (Note 10)	286,254	680,018	968,100	406,620	22,784	272,854	2,636,630
Recruitment	-	89	67	67	-	10,008	10,231
Travel	10,078	18,660	21,251	11,925	878	3,657	66,449
Office Costs	19,089	107,061	94,586	41,581	1,421	82,344	346,082
Internal Meetings	3	1,651	1,478	1,209	16	65	4,422
Grants to local Home-Starts (Note 7)	1,891	486,387	89,698	46,916	-	-	624,892
Technical advice and support (Note 8)	49,214	81,006	94,568	27,811	923	27,276	280,798
Training and development	16,925	36,388	72,940	35,012	3,570	20,742	185,577
Depreciation and loss on disposal	754	3,958	5,868	1,886	120	2,493	15,079
Fundraising materials/events expenses	41,229	9,011	5,465	5,559	-	-	61,264
Audit fees/legal and professional	2,327	21,149	26,505	11,410	80,185	32,925	174,501
Evaluation, scaling & dissemination	-	-	3,200	-	-	-	3,200
	427,764	1,445,378	1,383,726	589,996	109,897	452,364	4,409,125
Central support costs	139,931	188,543	77,133	46,757	-	(452,364)	-
	-	-	-	-	-	-	-
Governance costs	34,411	46,012	18,240	11,234	(109,897)	-	-
Total expenditure 2023	602,106	1,679,933	1,479,099	647,987	-	-	4,409,125

Notes to the financial statements

For the year ended 31 March 2024

7 Analysis of grants to local Home-Starts

		<i>Restated</i>
	2024	2023
	£	£
Grants to institutions		
Crisis pandemic funds for local Home-Starts (see breakdown below)	-	6,500
Cost of living support	-	29,000
Breathing Space fund - Pears- 2- to provide LHS with support throughout the cost of living crisis, help sustaining LHS at risk allow	371,000	-
Supporting families and children affected by poverty in Scotland (STV Children's Appeal)	-	160,000
To deliver change in holistic family support in Scotland (The Promise), establish practice hub	22,500	73,515
Supporting work with service families(Army Central) (see breakdown below)	50,000	47,000
Big Hopes Big Future®	(1,872)	-
Recovery and resilience programme	-	14,057
Supporting the wellbeing of new parents with Cystic Fibrosis	4,000	-
Centre for Warmth grants (funded by Cadent)- 28 LHS to allow them to form the energy advise groups, supporting families with	120,312	-
Volunteering Futures Fund (funded by Pears/DCMS)	-	40,000
Addressing isolation and loneliness in families (funded by Volant Charitable Trust)	-	120,000
Empowering women (Funded by White Stuff)-20 LHS-fund dedicated to one to one confidence building, creating strategy for sa	50,000	69,000
Warm spaces friendly faces (funded by White Stuff)	-	50,000
Family Support to naval families (funded by the Royal Navy & Royal Marines Charity)	7,000	12,700
Other	4,700	3,120
	627,640	624,892
At the end of the year		

Home-Start UK is instrumental in securing funding to pass on to local Home-Starts. These grants are distributed in line with the criteria of the funder. Applications are formally assessed by a panel. Central support costs are allocated as shown in Note 6. In total, 119 (2023: 207) grant payments to local Home-Starts were made during 2023/24.

		<i>Restated</i>
	2024	2023
	£	£
Breakdown of material grants included in the above grants to institutions:-		
◦ Supporting local Home-Starts to support families with isolation		
- 27 local Home-Starts in Scotland were supported by the Scottish Government to address loneliness and isolation in young parents.	-	160,000
- 15 local Home-Starts were supported by the Volant Charitable Trust towards addressing isolation and loneliness in families and supporting their capacity to parents	-	120,000
◦ Supporting local Home-Starts to support families through Cost of Living Crisis		
- supporting 38 of the most vulnerable local Home-Starts by providing Breathing Space grant to survive through Cost of living crisis	371,000	-
◦ Warm Spaces grants- to support with rising energy prices		
Centre for Warmth grants (funded by Cadent)- 28 LHS to keep families warm and form the energy advise groups draft making workshops, making families safe and warm	120,312	-
	491,312	280,000

8 Analysis of technical advice and support

	2024	2023
	£	£
Technical advice and support		
Network development	63,346	45,215
PR and communications	54,054	31,998
Corporate partnership development	7,370	94,545
Strategy and policy development	-	24,540
Digital, data and technology development	93,793	21,524
To support funded projects	250	46,962
Other	-	16,014
	218,813	280,798

Home-Start UK uses technical advice, support and expertise to assist in strategic development as part of externally funded projects and to provide targeted expenditure in key areas such as strategic development, digital development, building corporate partnerships and supporting network development using freelance, interims via agencies and consultancy.

9 Net income/(expenditure)

This is stated after charging /(crediting):

	2024	2023
	£	£
Depreciation	11,720	6,772
Operating lease rentals:		
Property	35,196	32,534
Auditors' remuneration (excluding VAT):		
Audit	18,750	18,150
Other services	1,000	1,000

10 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2024	2023
	£	£
Salaries and wages	1,965,055	2,220,064
Redundancy costs paid and settled	56,533	36,216
Social security costs	206,123	223,510
Employer's contribution to defined contribution pension schemes	150,427	156,840
	2,378,138	2,636,630

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2024	2023
	No.	No.
£110,000 - £119,999	1	-
£100,000 - £109,999	-	1
£90,000 - £99,999	-	-
£80,000 - £89,999	1	-
£70,000 - £79,999	1	2
£60,000 - £69,999	-	1

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £344,455(2023: £364,481).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2023: £nil). No charity trustee received payment for professional or other services supplied to the charity (2023: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,275 (2023: £1,238) incurred by 11 (2023: 8) members relating to attendance at meetings of the trustees.

Notes to the financial statements

For the year ended 31 March 2024

11 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2024	2023
	No.	No.
Raising funds	3.2	3.8
Standing alongside families	13.2	12.9
Stronger together	16.6	20.2
Growing our movement	6.6	7.0
Central support costs	8.9	8.9
Governance	1.1	0.7
	49.6	53.4

The number of employees calculated on the basis of full-time equivalents at the end of the year was 46.1 (2023: 47.8).

12 Related party transactions

Our honorary president, James Sainsbury OBE, is also a trustee of The Headley Trust and The Tedworth Charitable Trust. The Headley Trust made a grant of £27,250 (2023: £2,500) and The Tedworth Charitable Trust made a donation of £30,000 (2023: 30,000) towards Home-Start UK core costs. There were no outstanding balances due to or from related parties at 31st March 2024. (2023: £nil). James Sainsbury OBE receives no benefit from the grants made to the charity.

Home-Start UK received donations totalling £2,531.50 (2023: £2,038) from trustees (2023: 2 trustees). The trustees receive no benefit from the donations made to the charity.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

13 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The charity's trading subsidiary Home-Start Consultancy Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2024	2023
	£	£
UK corporation tax at 19%	-	-

14 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Information system £	Total £
The group and charity				
Cost				
At the beginning of the year	-	20,316	30,000	50,316
Additions	48,268	13,810	-	62,078
Disposals in year	-	-	(30,000)	(30,000)
At the end of the year	48,268	34,126	-	82,394
Depreciation				
At the beginning of the year	-	6,772	-	6,772
Disposals/W/off in year	-	-	-	-
Charge for the year	2,702	9,019	-	11,720
At the end of the year	2,702	15,791	-	18,492
Net book value				
At the end of the year	45,566	18,336	-	63,902
At the beginning of the year	-	13,544	30,000	43,544

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2024

15a Listed investments

	The group 2024 £	2023 £	The charity 2024 £	2023 £
Fair value at the start of the year	646,405	670,758	646,405	670,758
Net gain/ (loss) on change in fair value	58,511	(24,353)	58,511	(24,353)
Fair value at the end of the year	704,916	646,405	704,916	646,405
Investments comprise:				
COIF Charities Investment Fund	704,916	646,405	704,916	646,405
	704,916	646,405	704,916	646,405

15b Shares in group undertaking

	2024 £	2023 £
Cost at 1 April 2023 and 31 March 2024	100	100

16 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Home-Start Consultancy Limited, a company registered in England. The company number is 02810260. The registered office address is 4th floor Arnhem House, 31 Waterloo Way, Leicester, United Kingdom, LE1 6LP.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustee Pearly Siffel is also a director of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2024 £	2023 £
Turnover	28,200	21,198
Cost of sales	-	-
Gross profit	28,200	21,198
Administrative expenses	(23,877)	(4,753)
Profit on ordinary activities before interest and taxation	4,323	16,445
Profit on ordinary activities before taxation	4,323	16,445
Taxation on profit on ordinary activities	-	-
Profit for the financial year	4,323	16,445
Retained earnings		
Total retained earnings brought forward	15,495	61,072
Profit for the financial year	4,323	16,445
Distributed to parent charity	(16,445)	(62,022)
Total retained earnings carried forward	3,373	15,495
The aggregate of the assets, liabilities and reserves was:		
Assets	58,762	105,363
Liabilities	(55,389)	(89,868)
Reserves	3,373	15,495

Amounts owed to/from the parent undertaking are shown in notes 18 and 19.

Included within administrative expenses above is a management charge of £22,877 (2023: £4,389) from the parent entity.

Notes to the financial statements

For the year ended 31 March 2024

17 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

		<i>Restated</i>
	2024	2023
	£	£
Gross income	3,858,534	3,882,628
Result for the year	15,986	(1,884,900)

18 Debtors

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Trade debtors	177,126	109,408	174,544	106,826
Accrued income	61,868	98,393	61,868	98,393
Other debtors	-	53,953	-	53,763
Prepayments	109,676	44,065	109,676	44,065
Amounts due from group undertaking	-	-	47,302	82,782
	348,670	305,819	393,391	385,829

19 Creditors: amounts falling due within one year

	The group		The charity	
	2024	<i>restated</i> 2023	2024	<i>restated</i> 2023
	£	£	£	£
Trade creditors	178,937	101,203	176,220	99,686
Taxation and social security	95,072	55,107	91,222	55,107
Other creditors	-	37,162	-	31,593
Accruals	150,352	76,750	149,022	76,750
Grants payable	-	61,166	-	61,166
Grant commitments	5,518	9,940	5,518	9,940
Pension deficit	14,431	16,748	14,431	16,748
Amounts owed to group undertaking	-	-	478	478
Deferred income (note 20)	33,955	5,548	33,955	5,548
	478,265	363,624	470,846	357,016

20 Deferred income

Deferred income comprises funds held on behalf of local Home-Starts for future events.

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Balance at the beginning of the year	5,548	8,509	5,548	8,509
Amount released to income in the year	(5,548)	(8,509)	(5,548)	(8,509)
Amount deferred in the year	33,955	5,548	33,955	5,548
Balance at the end of the year	33,955	5,548	33,955	5,548

Notes to the financial statements

For the year ended 31 March 2024

21 Creditors: amounts falling due after one year

	The group		The charity	
	2024	2023	2024	2023
	£	£	£	£
Pension deficit	-	13,105	-	13,105
	-	13,105	-	13,105

22 Financial instruments

	2024	2023
	£	£
Financial assets measured at fair value through profit and loss		
Investments	704,916	646,405
Financial liabilities measured at fair value through profit or loss		
Defined pension scheme liability	-	(43,475)

23 Pension scheme

The Pensions Trust - Growth Plan ("the scheme")

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company 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 scheme is classified as a 'last-man standing arrangement'. Therefore the company 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.

A full actuarial valuation for the scheme was carried out at 30 September 2020. Following confirmation of the final audited asset value, the deficit has reduced to £31.6m. Next Valuation plan is due to take place after January 2025.

Expenses will no longer be included in the deficit payment and from 1 April 2022 will be identified separately and paid in addition to deficit contributions. This approach is more transparent and has the benefit to employers of expenses no longer being included in employer accounts for the purposes of FRS102.

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 the scheme is in deficit and where Home-Start UK has agreed to a deficit funding arrangement, Home-Start UK recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The amount recognised includes the unwinding of the discount used to calculate the net present value.

Home-Start UK ceased to provide this defined benefit scheme with effect from January 2009, with most of the members switching to the defined contribution scheme. Home-Start UK contributed £17.3k to the past service deficit of the defined benefit scheme in the year (2023: £37k) and will continue to contribute annually until 2025 subject to changes in deficit contributions once confirmed. Under the new recovery plan, from 1 April 2023, the deficit contributions are £14.4k per annum and the expense amount is £20.5k per annum bringing the total payment to £34.9k per annum.

24a Analysis of group net assets between funds - current year

	General unrestricted	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	-	63,902	-	63,902
Investments	704,916	-	-	704,916
Net current assets	804,933	244,487	252,398	1,301,818
Long term liabilities	-	-	-	-
Net assets at 31 March 2024	1,509,849	308,389	252,398	2,070,636

24b Analysis of net assets between funds - prior year (restated)

	General unrestricted	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	-	43,544	-	43,544
Investments	646,405	-	-	646,405
Net current assets	910,771	21,000	458,157	1,389,928
Long term liabilities	(13,105)	-	-	(13,105)
Net assets at 1 April 2023	1,544,071	64,544	458,157	2,066,772

25a Movements in restricted funds - current year

	At 1 April 2023 £	Income £	Expenditure £	Transfers £	At 31 March 2024 £
Aberdeen Asset Management Charitable Foundation	16,250	-	(16,250)	-	-
Army Central Fund	-	57,500	(57,500)	-	-
Band Trust	-	80,000	(80,000)	-	-
Charles Gordon Foundation	-	60,000	(60,000)	-	-
Corra Foundation	-	206,850	(206,850)	-	-
Corra Foundattion - The Promise Partnership	-	-	-	-	-
DHSS & PS Northern Ireland	-	18,900	(18,900)	-	-
Fidelity UK Foundation	70,326	139,675	(193,983)	-	16,018
Masonic Charitable Foundation	173,592	-	(119,613)	-	53,979
NI development	-	-	-	-	-
Pears Family Charitable Foundation	196,000	500,000	(521,000)	-	175,000
Pears Family Charitable Foundation with DCMS	-	-	-	-	-
Royal Navy & Royal Marines Charity	1,989	10,000	(8,989)	-	3,000
Scottish Government - Loneliness & Isolation Fund	-	66,667	(64,266)	-	2,401
Scotland fundraising	-	-	-	-	-
Small Trusts - CFP	-	8,500	(6,500)	-	2,000
White Stuff Foundation	-	80,554	(80,554)	-	-
Total restricted funds	458,157	1,228,646	(1,434,405)	-	252,398

25b Movements in restricted funds - prior year (restated)

	At 31 March 2022 £	Income £	Expenditure £	Transfers £	At 1 April 2023 £
Aberdeen Asset Management Charitable Foundation	16,250	-	-	-	16,250
Army Central Fund	-	53,000	(53,000)	-	-
Big Lottery Fund - Greater Manchester project	8,450	-	(8,450)	-	-
BT	10,000	-	(10,000)	-	-
Charles Gordon Foundation	57,562	-	(57,562)	-	-
Corra Foundation	-	206,850	(206,850)	-	-
Corra Foundation - The Promise Partnership	102,443	-	(102,443)	-	-
DHSS & PS Northern Ireland	-	37,815	(37,815)	-	-
Dulverton Trust	-	30,000	(30,000)	-	-
Fidelity UK Foundation	148,000	-	(77,674)	-	70,326
Home-Start Greater Manchester	2,676	-	(2,676)	-	-
John Lewis Partnership - Healthy Happy Home	121,323	-	(121,323)	-	-
Kristian Gerhard Jebsen Foundation	125,120	-	(125,120)	-	-
Margaret Harrison Travel Scholarship	7,491	-	(7,491)	-	-
Masonic Charitable Foundation	287,346	-	(113,754)	-	173,592
NI development	9,498	-	(9,498)	-	-
Pears Family Charitable Foundation	-	250,000	(54,000)	-	196,000
Pears Family Charitable Foundation with DCMS	90,000	-	(90,000)	-	-
Rayne Foundation	22,542	-	(22,542)	-	-
R S MacDonald Charitable Trust - digital technology	1,577	-	(1,577)	-	-
Royal Navy & Royal Marines Charity	5,689	10,000	(13,700)	-	1,989
Scottish Government - Loneliness & Isolation Fund	-	200,000	(200,000)	-	-
Scotland fundraising	3,165	-	(3,165)	-	-
Volant Charitable Trust	150,000	-	(150,000)	-	-
White Stuff Foundation	75,222	100,000	(175,222)	-	-
Total restricted funds	1,244,354	887,665	(1,673,862)	-	458,157

25c Movement in total funds - current year

	At 1 April 2023 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2024 £
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	43,544	-	-	20,358	63,902
John Lewis- Happy Healthy Homes	-	100,000	-	-	100,000
John Lewis- Building Better Future	-	189,432	(64,432)	-	125,000
Strategic Transformation Fund	-	-	-	-	-
Cadent- Centre for Warmth	-	175,000	(155,513)	-	19,487
Digital transformation	-	-	-	-	-
Recovery and resilience programme	21,000	-	(21,000)	-	-
Total designated funds	64,544	464,432	(240,945)	20,358	308,389
General funds					
General funds	1,558,529	2,184,644	(2,202,831)	(19,335)	1,521,007
Non-charitable subsidiary funds	15,395	28,200	(23,877)	(16,445)	3,273
Pension liability	(29,853)	-	-	15,422	(14,431)
Total general funds	1,544,071	2,212,844	(2,226,708)	(20,358)	1,509,849
Total unrestricted funds	1,608,615	2,677,276	(2,467,653)	-	1,818,238
Total restricted funds	458,157	1,228,646	(1,434,405)	-	252,398
Total funds at 31 March 2024	2,066,772	3,905,922	(3,902,058)	-	2,070,636

25d Movement in total funds - prior year (restated)

	At 31 March 2022 £	Income and gains £	Expenditure and losses £	Transfers £	At 1 April 2023 £
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	8,306	-	-	35,238	43,544
Strategic Transformation Fund	510,392	-	(510,392)	-	-
Give a Little Love	357,687	-	(357,687)	-	-
Digital transformation	82,000	52,500	(134,500)	-	-
Recovery and resilience programme	330,000	35,000	(344,000)	-	21,000
Total designated funds	1,288,385	87,500	(1,346,579)	35,238	64,544
General funds					
General funds	1,446,548	2,845,442	(2,746,623)	13,162	1,558,529
Non-charitable subsidiary funds	60,972	21,198	(4,753)	(62,022)	15,395
Pension liability	(43,475)	-	-	13,622	(29,853)
Total general funds	1,464,045	2,866,640	(2,751,376)	(35,238)	1,544,071
Total unrestricted funds	2,752,430	2,954,140	(4,097,955)	-	1,608,615
Total restricted funds	1,244,354	887,665	(1,673,862)	-	458,157
Total funds at 31 March 2023	3,996,784	3,841,805	(5,771,817)	-	2,066,772

Notes to the financial statements

For the year ended 31 March 2024

Purposes of restricted funds

Aberdeen Asset Management Charitable Foundation
Anonymous
Army Central Fund
Band Trust
Corra Foundation
Corra Foundation - The Promise Partnership

DHSS & PS Northern Ireland
Early Intervention Foundation
Fidelity UK Foundation

Growth Fund
Harvey Charitable Trust
John Lewis Partnership - Healthy Happy Home
John Lewis Partnership - supercharged communities
Masonic Charitable Foundation
Pears Family Charitable Foundation and DCMS
Pears Family Charitable Foundation and DCMS

Royal Navy & Royal Marines Charity

Small Trusts-CFP
Scottish Government

Scotland fundraising
White Stuff Foundation

Local level support to families across Scotland focussing on PIMH
Towards the Head of Volunteering post
Grants for supporting work with service families
Towards digital transformation and funding for website
Scotland Third Sector Early Intervention Fund
A Good Childhood - to support necessary shifts to help ensure children and young people grow up loved, safe and respected
Revenue grant towards our work in Northern Ireland
Towards costs of Senior Adviser of Impact and Practise
Towards business intelligence project enabling more vulnerable families to achieve positive outcomes
To support our expansion of Home-Start reach
Towards our work in Scotland
Volunteer-upskilling Programme
Give a Little Love campaign supporting superhubs
Big Hopes Big Future®
Department for Digital, Culture, Media & Sport Community Match Challenge Grant
Volunteering Futures Fund - developing volunteer platform to support an increase in volunteer recruitment and retention
Family support to naval families

Supporting mothers struggling with Cystic Fibrosis
Various grants supporting family focus groups, outdoor play, winter support funds during the pandemic and support for loneliness and isolation in Scotland
Donated funds from Kiltwalk for our work in Scotland
Perinatal mental health training/staff costs and Empowering Women Project

Purposes of designated funds

Fixed Asset Fund

The fixed asset fund represents all unrestricted funds invested in fixed assets net of any associated liabilities.

John Lewis Fund

John Lewis Partnership - Healthy Happy Home
John Lewis Partnership - supercharged communities

Volunteer-upskilling Programme
Give a Little Love campaign supporting superhubs

Centre for Warmth grants (funded by Cadent)- 28 LHS to allow them to form the energy advise groups, supporting families with warm spaces,draft making

Digital Transformation

Central costs of supporting the BT 3Ds Digital Inclusion Programme being piloted in 2022/23 to provide digital confidence, data connectivity and devices to the network and the families they support.

Recovery and resilience programme

To support the Home-Start network to recover and become more resilient post pandemic through investment at Home-Start UK in growth and fixed-term skilled staff.

Transfers

Transfers between unrestricted funds and designated funds are agreed by the trustees.

26 Reconciliation of income to net cash flow from operating activities

		<i>Restated</i>
	2024	2023
	£	£
Net income/ (expenditure) for the reporting period (as per the statement of financial activities)	3,864	(1,930,012)
Depreciation charges	11,720	6,772
Loss on disposal/writeoff of fixed assets	30,000	8,307
Interest from investments	(47,477)	(39,201)
(Profit) on the disposal of investments	(58,511)	24,352
(Increase) in debtors	(42,851)	669,628
Increase in creditors	101,536	(161,111)
Net cash provided by operating activities	(1,719)	(1,421,265)

27 Analysis of cash and cash equivalents

	At 1 April 2023	Cash flows	At 31 March 2024
	£	£	£
Cash at bank and in hand	447,733	683,679	1,131,412
Short notice deposits held for investment	1,000,000	(700,000)	300,000
Total cash and cash equivalents	1,447,733	(16,321)	1,431,412

28 Operating lease commitments

The group and charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2024	2023
	£	£
Less than one year	35,196	35,196
One to five years	11,732	41,062
	46,928	76,258

29 Legal status of the charity

The charity is a company limited by guarantee and has no share capital.

Notes to the financial statements

For the year ended 31 March 2024

30 Impact of prior year adjustment

In 2022/23, Home-Start accounted for £196,000 of grant commitments due to beneficiaries as a creditor at year-end. On review, while the grant application process was open at the year-end, no specific commitments had been communicated to recipients at the year-end, and so an accounting liability did not exist at 31 March 2023. The adjustment affects only restricted funds.

Reserves position	Unrestricted £	Restricted £	Total £
Total funds at 31 March 2023 as previously stated	1,608,615	262,157	1,870,772
Adjustment for grant commitments	-	196,000	196,000
Total funds at 31 March 2023 as restated	<u>1,608,615</u>	<u>458,157</u>	<u>2,066,772</u>

Impact on income and expenditure 2022/23	Unrestricted £	Restricted £	Total £
Movement in funds as previously reported	(1,143,815)	(982,197)	(2,126,012)
Adjustment for grant commitments	-	196,000	196,000
Net expenditure as restated	<u>(1,143,815)</u>	<u>(786,197)</u>	<u>(1,930,012)</u>

Accounts



Home-Start UK

Annual report and group financial statements
For the year ended 31st March 2023

Home-Start UK
Arnhem House
Waterloo Way
Leicester
LE1 6LP

t. 0116 464 5490
e. info@home-start.org.uk
w. www.home-start.org.uk

Home-Start UK, a company limited by guarantee, company no. 5382181
Registered charity England and Wales (1108837) and in Scotland (SC039172)



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Introduction from the Chair

The year 2023 marks 50 years since our founder Margaret Harrison set up the very first Home-Start in Leicester. Margaret's founding ethos was that the best way to give children the strongest start in life is to offer families friendly, volunteer-led support in their own homes. Simple, yet so powerful.

Home-Start's work has developed over the decades but Margaret's ethos remains at the heart of what we do. In 2020, the Covid pandemic shone a light on the struggles families face and why Home-Start's work is so vital. It also showed us the power of working together as a federation. That's why, in May 2022, Home-Start UK worked with our network, partners, volunteers and families to develop a federation-wide strategy to do even more for parents and children in the years ahead. Together With Families sets out a bold vision for Home-Start centred around four shared commitments - summarised as impact, inclusion, growth and voice.

A year into this strategic period, this annual report focuses on Home-Start UK's progress in this first year and celebrates the collective impact of our Home-Start movement for families and children. There has been so much to celebrate – from securing funding and support for Home-Start work, partnering with organisations to raise awareness and profile, developing training for staff and volunteers, and collectively celebrating our wonderful Home-Start volunteers.

In a year when the environment has been challenging for charities across the UK, with increasing competition for funding and volunteers, I am particularly proud of how the Home Start network has responded. We have strengthened our bonds across the network, pulling closer together rather than becoming more insular in the face of local challenges. So many services have reached out to collaborate, with ideas and expertise shared generously across the network and we have demonstrated that we are indeed stronger together.

Fifty years on from our first steps, it feels as though parents and children need our support more than ever. Our local Home-Starts in communities across the UK tell us that there are increasing numbers of families facing challenges in their lives and that the cost of living crisis is making it harder than ever to retain and attract volunteers and funding for their work. Although it can be difficult to find optimism in bleak times, 50 years of experience tells us that by coming together, supporting each other, and celebrating progress, we will find solutions to the challenges around us and be able to stand alongside families.

I'd like to thank every member of the Home-Start movement – staff, volunteers, supporters and partners – for the part you've played in making our Home-Start federation what it is today - standing alongside thousands of families every year.

Lin Hinnigan

Reference and administrative information

Company number	England and Wales: 5382181	
Charity number	England and Wales: 1108837, Scotland: SC039172	
Registered office	Arnhem House, Waterloo Way, Leicester, LE1 6LP	
Trustees	Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows: Bushra Ahmed Ray Ayivor Sheena Bolland Sophie Castell Naomi Dickson Anna Corry Joanna Dennis FCCA Treasurer Barbara Firth Karen Graham Elizabeth Hill-Smith Lin Hinnigan (Chair) Pearly Siffel Philip Sugarman Vice Chair Resigned 27 September 2023 Resigned 7 March 2023 Retired 28 September 2022 Resigned 27 September 2023 Retired 28 September 2022 Retired 7 December 2022	
Key Management Personnel	Peter Grigg Vivien Waterfield Beckie Lang	Chief Executive Deputy Chief Executive Director of Network Impact
Bankers	National Westminster Bank plc 1 Granby Street Leicester LE1 6EJ	
Solicitors	Farrer & Co LLP 66 Lincoln's Inn Fields London WC2A 3LH	
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House 108-114 Golden Lane London EC1Y 0TL	
Patron	HRH Princess Alexandra, The Hon Lady Ogilvy, KG, GCVO	
Founder	Margaret Harrison CBE (1938-2015)	
Honorary President	James Sainsbury OBE	
Vice President	Alastair Stewart OBE	

Trustees' annual report

Introduction

The board of trustees presents its report and the audited financial statements for the year ended 31 March 2023. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the requirements of a directors' report as laid down by company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Purpose

Home-Start was set up in 1973 with its charitable objects as set out with the Charity Commission, for the relief of children or parents in despair and distress and the prevention of emotional, physical and mental abuse of such children.

Home-Start's collective ambition as a federation is to ensure that more parents can receive relational compassionate support at the earliest moment so that no parent or family feels alone in the critical task of raising their children.

Home-Start believes that children need a happy and secure childhood and that parents play the key role in giving their children a good start in life and helping them achieve their full potential.

Our story

- A child's earliest years are irreplaceable. Without a stable, loving and nurturing environment, a very young child will not develop the vital foundations they need.
- Home-Start is there for parents when they need us the most, because childhood can't wait.
- Our local community network of trained volunteers and expert support helps families with young children through their challenging times.

Why we do it

The earliest years make the biggest impact. Home-Start makes sure those years count so that no child's future is limited.

How we do it

Home-Start offers no judgement, just compassionate, confidential help and support. Starting in the home, our approach is as individual as the people we're helping. Today and every day, in communities up and down the UK, Home-Start volunteers are working alongside families, helping them to change their lives for the better.

From Orkney to Guernsey and Enniskillen to Great Yarmouth, families are benefitting from the support of Home-Start's network of community-based volunteers and expert support. We're tackling some of the big issues facing families today, with more families than ever coming to us because they are struggling with:-

- Mental health and wellbeing
- Loneliness and isolation
- Building supportive, nurturing, loving relationships with their children
- Money worries and financial pressure.

Our strategy

In May 2022, we launched *Together with Families*, the Home-Start Strategic Framework for 2022-2027. Together With Families helps align our work for families as a federated network, ensuring Home-Start UK's priorities are informed by a shared vision; and that local Home-Starts have the autonomy to adapt this to their own strengths and the context and needs of their communities.

Led by our passionate movement of volunteers, staff and supporters we identified four strategic commitments to bring this vision to life:

1. **GROWTH.** A collective ambition to reach significantly more families so that more parents with young children can access support in a way that works for them.
2. **VOICE.** Home-Start will stand alongside families to make the case for support so that more families avoid crisis as a result of receiving appropriate early support.
3. **INCLUSION.** Home-Start will advance inclusion and equity in all we do so that everyone feels included at Home-Start.
4. **IMPACT.** Local Home-Starts will be stronger together so that a thriving, collaborative UK-wide community of high-quality Home-Start provision is available for families with young children.

By 2027, through a vibrant, resilient, inclusive Home-Start movement we aim to:-

- Work directly with 50,000 families each year through home visiting and group work. Currently 38,000 (previously: 26,000).
- Be powered by 20,000 active volunteers underpinning our Home-Start movement across the UK. Currently 10,000 (previously: 10,000).
- Achieve greater diversity across Home-Start volunteers, trustees, staff and leadership, and in access to our support from under-represented groups
- Work with our network to develop new models of partnership, delivery and services with the potential to radically scale our reach and accessibility for 200,000 families.

The year 2023 marks 50 years since our founder Margaret Harrison set up the very first Home-Start in Leicester. Fifty years on, it feels as though parents and children need our support more than ever. The world feels so difficult for families right now with all charities feeling the strain of increased demand for their work as we emerge from the pandemic and dive straight into the cost-of-living crisis. We're all concerned about the devastating impact on children. However, we are confident that the Home-Start network can continue to find solutions to the challenges around us and stand alongside families.

This annual report highlights progress towards this strategy and celebrates the collective impact of our Home-Start movement for families and children.

In 2022-23, we are particularly proud of the following achievements:

GROWTH. A collective ambition to reach significantly more families so that more parents with young children can access support in a way that works for them.

Funding secured from amazing partners helped several Home-Starts extend into new areas to support more families. Expansion included into Lewisham (Home-Start Southwark), Lomond (Home-Start Lorn), Dumfries (Home-Start Wigtownshire), South Somerset (Home-Start Blackmore Vale), Cheshire (Home-Start Warrington) and South West Dorset (Home-Start Wessex.)

Through our partnership with BT we have responded to the digital divide affecting many families. So many parents and children don't have access to technology at home. This leaves low-income households relying on expensive mobile phone data for essential tasks like homework and claiming benefits. BT equipped us with free devices and broadband connections for 2,500 families which we made available to Home-Starts across the UK.

Through our ongoing partnership with the John Lewis Partnership, many Home-Starts have built relationships at a local level with John Lewis and Waitrose stores through the charitable giving scheme, Community Matters. Centrally, our Healthy Happy Home programme has equipped volunteers with practical advice to support families' health and wellbeing. Families highlighted their biggest concerns as healthy eating, sleep and finances. We used this to create resources that have been shared with over 3,200 volunteers so far. Training was developed with the Waitrose Cookery School, The Lullaby Trust, The Sleep Charity, The Money Charity, and John Lewis Finance and Wellbeing Services

Christmas can be a stressful and expensive time of year. So our work with John Lewis and Waitrose also helped 150 families to have a 'magical' Christmas, providing them with items they chose to make their festive celebrations special. We were also grateful to BT staff for gifting an incredible 25,000 presents to families we support, while Sofology donated furniture worth over £400,000 to families and local Home-Start outreach centres across the UK.

Through our Cost-of-Living Crisis Appeal, 45 grants for families went out to local Home-Starts, for practical items like supermarket vouchers, high-tog duvets, and energy top-up cards through winter.

IMPACT- Local Home-Starts will be stronger together so that a thriving, collaborative UK-wide community of high-quality Home-Start provision is available for families with young children.

Improving perinatal and infant mental health (PIMH) support

In 2022, Home-Start UK secured funding from the Kristian Gerhard Jebsen Foundation and the Charles Gordon Foundation to enable vital development work in this area. Funding has enabled us to equip staff and volunteers to understand how relationships between a parent and baby affect child development, and to recognise the signs of mental health difficulties and signpost to other services. We now have almost 250 PIMH 'champions' in Home-Start communities to help. They help more new parents and their babies to get the care and support they need. We've become a trusted source in policy working groups such as with the Scottish Government, and the First 1001 Days Movement, and this has helped raise funding and awareness for our local work.

Overcoming challenges and adapting to change

With the remarkable support of funders, we have built programmes to develop local Home-Starts during challenging times. With the generous support of the Pears Foundation, we were able to distribute essential funding to local Home-Starts to rebuild the support to families following Covid restrictions in 2021. In 2022, Home-Start UK and the Pears Foundation announced the launch of a new fund to help ensure local Home-Starts can continue to deliver vital services during the cost-of-living crisis. The new £1 million Breathing Space Fund will be delivered over the next two years and will be used to help provide 'breathing space' to ensure that local Home-Starts are able to continue delivering vital services to families at a time when services are seeing greater demand than ever.

In other work to support local Home-Start trustees, we created an induction programme, launched the Home-Start Chairs' forum and offered guidance on good governance. We organised trustee events, as well as training and development webinars. We supported local Home-Starts to pilot services into new communities. We distributed funding to help them develop partnerships in new areas and build support for the recruitment and training of new trustees.

As the face of volunteering shifted after the pandemic we adapted recruitment and engagement processes, and developed new resources for Home-Starts. We were privileged to be amongst the charities involved with breakfast TV show Good Morning Britain for its 1 Million Minutes campaign. We proudly celebrated our volunteers by hosting our Volunteer Awards. Over 150 people received nominations – a wonderful testament to their dedication to supporting families.

Refreshing the Home-Start Agreement

After a pause during the pandemic, we completed our refresh of our Home-Start Agreement and re-wrote our Home-Start Handbook to support staff and trustees with clear guidance on how we work together to ensure high quality and consistency across our federation. All of our Home-Starts are now signed up to the new Agreement.

Evaluating and refining quality standards

In 2022, we restructured and strengthened our quality assurance approach with the support of a Quality Reference Group made up of Home-Start colleagues and are now piloting the new Quality Assurance Framework with the first cohort of Home-Starts. We updated policies on safeguarding so that our network can continue to provide the highest quality response to concerns about a child or adult at risk. We supported trustees in advising and guiding their boards on safeguarding matters. Alongside this we renewed our ISO 9001 certification, completing the process in March 2023.

INCLUSION- Advancing inclusion and equity, in all we do. Making sure everyone feels welcome and included at Home-Start

Our strategy has seen a renewed emphasis on inclusion and we've built this commitment into our updated Home-Start UK Agreement and Handbook and our refreshed Quality Assurance Framework.

To support Home-Start trustees across the UK, we commissioned a seminar with the charity, Getting on Board, which helps charities enhance diversity of trustee boards. At Home-Start UK, we've developed an Equity, Equality, Diversity and Inclusion Action Plan to help drive progress that has seen us:

- Run staff training sessions with the Diversity Trust on equity, diversity and inclusion, and race to help build awareness and understanding.
- Carry out a demographics survey of our staff. This will give us a starting point from which we can start building a more diverse, inclusive and equitable team.
- Create an internal diversity champions group. This is made up of staff with a range of backgrounds and experiences who work together to look at the many different ways people experience discrimination and oppression, and how we can minimise this as an organisation through our actions. We held activities as part of Race Equality Week, Neurodiversity month and LGBTQ+ history month. We also learned from John Lewis colleagues on steps they have been taking on their journey to be a more inclusive employer.
- Trial a range of measures to make our recruitment methods more inclusive and equitable.

- In autumn 2022, we organised a powerful session on perinatal and infant mental health and inclusion for PIMH champions. Fifty Home-Starts heard Sandra Igwe from The Motherhood Group discuss how black parents can be poorly represented and treated by maternity services. The Muslim Women's Network founder Baroness Shaista Gohir spoke about Muslim parents' experience of family support, while Lucy Warwick Guasp shared her experiences of how LGBTQ+ families can be overlooked in maternity and family support services. We're thrilled to be developing relationships with individuals and organisations like these. We've continued to develop our brand to be as inclusive as possible, working to diversify our imagery, photo library and use of spokespeople across our work. We are undertaking a review of our website to support accessibility.

We're working with partners in policy coalitions to use our voice to tackle inequality. For example, thanks to support from our partner White Stuff, we have provided £75,000 grant funding to support the work local Home-Starts do to empower women to build a brighter future for their children by building confidence, providing practical support, and boosting physical and mental health. Funded projects included therapeutic forest schools and friendship cafes, gardening projects and pram walk and talks.

VOICE - Standing alongside families to make the case for support so that more families avoid crisis as a result of receiving appropriate early support.

Home-Start UK shared the views of local Home-Starts and families through policy work with the First 1001 Days coalition, the Maternal Mental Health Alliance, the Scottish Government PIMH Programme Board, the Scottish Government Loneliness and Isolation Ministerial Group, the Promise Partnership, the Royal Foundation, the Children's Commissioner for England and through influencing the development of Family Hubs.

We launched Together With Families at an event at the iconic BT Tower. This was a great opportunity to show our commitment to what we want to achieve over the next five years. The highlight of the event was hearing from Sharena who was supported by a Home-Start volunteer as a child shortly after the tragic passing of her mother.

We met with families, volunteers and staff in Leicester city centre to celebrate the launch of Together With Families sharing pop-up artwork. We captured this in a moving film available to view on our YouTube channel.

Alongside other charities, we joined forces with breakfast TV show Good Morning Britain for its annual 1 Million Minutes campaign. The campaign asked viewers to pledge their time to help reduce loneliness during Christmas and beyond. Damien shared his experiences of being a single parent in a film that was broadcast on the breakfast show and shared on social media. An incredible 2,364 people pledged an amazing 14 million minutes. In 2023 we matched these volunteers to 162 local Home-Starts to begin their journey supporting families.

In November 2022, we launched our Cost-of-Living Crisis Appeal, sharing parent Lauren's powerful story. She and her husband Will, who works away from home all week on an army base, have a three-year-old daughter, Layla. The rising cost of living makes regular trips home more difficult. Fortunately, Home-Start volunteer John has been there to support Lauren and Layla. The response to the appeal was very positive and, thanks to our incredible donors, we quickly made grants available to local

Home-Starts to support families through the winter, for example by running group sessions in warm spaces and covering taxi fares for families living in remote areas.

Thanks to our partnership with BT, in December our Cost of-Living Crisis Appeal was featured on the BT Tower and on BT advertising hubs in town and city centres across the UK. Children from families supported by Home-Start took part in the BT Tower advent calendar, which gave them the thrilling opportunity to see their artwork displayed over London.

Our plans for the future

The Home-Start movement reaches all four corners of the UK and via Home-Start Worldwide, 22 countries. We're excited about building on Margaret's legacy in our 50th anniversary year to raise awareness of Home-Start's work and build partnerships for the future. Our activities in 2023 will include:

Growth:

- Inspiring more people to support Home-Start through regular donations, legacies, challenge events and fundraisers. We will also build on our partnerships with trusts and corporations to help us plan for the future.
- We will be working centrally to support Home-Starts to strengthen the volunteer experience for all, including greater focus on inclusion and diversity.
- We will continue to invest in the development of our award winning Happy Healthy Homes programme with John Lewis Partnership to ensure more volunteers have access to high quality resources and training opportunities via our central on-line learning platform.
- We will work on recruitment programmes and celebration events to highlight the brilliance of volunteers.
- A new corporate partnership with Sofology, will help us to raise our profile, boost our volunteering work and raise much needed funds.
- Learning from Home-Starts that are expanding and growing to develop a programme of support to enable geographical growth and reach of Home-Start work

Voice:

- Marking 50 years of Home-Start. We'll celebrate what we and our supporters have achieved together over the last five decades and, just as importantly, we'll look ahead to the next 50 years, thinking about how we can evolve and stay relevant.
- Telling our story. We're excited about collecting stories and anecdotes from Home-Start volunteers and families from over the decades. We're looking forward to finding out how local Home-Starts want to get involved in celebrations.
- We are delighted to have joined John Lewis Partnership's *Building Happier Futures (BHF)* programme. Launched in 2022, BHF has already generated £1.1m for 'Action for Children' and 'Who Cares Scotland?' to support children and young people from care with long term education and employment opportunities. Home-Start's involvement will see the BHF provide more early support to parents, strengthening family relationships, overcoming challenges and helping to avoid crisis further down the line. A full programme of in-store and promotional activity is being planned to engage JLP customers and partners in this important new initiative.

- Raising our profile. Working with corporate partners, we will take every opportunity to raise awareness of our work so that more families will recognise us as a source of help, and more funders and individuals will be inspired to get involved with our work.
- We will continue to amplify the needs of families through the coalitions and partnerships we are involved in.

Impact:

- Working with The Pears Foundation we'll support the sustainability of our local services, to ensure families can continue to access high quality support from Home-Starts right across the country during the cost of living crisis.
- Piloting our new Quality Assurance Framework for the network in 2023 and using its evaluation to further embed it into a rolling programme across the Network. This will help us ensure that we deliver consistently high quality services to help families across the UK.
- Developing and extending our *Big Hopes Big Future* initiative, funded by the Masonic Charitable Foundation, to provide early pre-school support for children and their families so that more children start school able to participate fully in school life and able to learn and reach their full potential
- We will also continue to develop our award winning *Happy Healthy Homes* programme with John Lewis Partnership to ensure even more volunteers have access to high quality resources and training opportunities via our central on-line learning platform.
- Refining our data collection through our data smart project, funded by the Fidelity Foundation will help us improve data collection about our work and the difference we're making. This will initially support our Quality Assurance programme and enable us to quickly identify areas of strength and areas for improvement within the Network. With a small group of Home-Start early adopters, the ability to utilise local data in user friendly dashboards will support the development of how we report our impact as a federation.
- The development of the Impact Reference Group, representing interest from across the federation, is considering our impact as a federation and how we can strengthen our approach to doing this.

Inclusion:

- Requiring all Home-Starts to consider and develop an EEDI plan locally as together we develop our strategic commitment to inclusion and share good practice.
- Rewriting our equality, diversity and inclusion policies, making sure they're as up-to-date and progressive as possible. These will provide a benchmark for local Home-Starts to develop and adapt to meet their own, specific inclusion needs.

Activities

Home-Start's beneficiaries are families struggling to cope with the stresses and strains of bringing up children in the face of mental and physical illness, poverty, homelessness, disability and other pressures. Home-Start UK seeks to support these families by providing support to a network of 182 independently run local Home-Starts. As a national federated charity, Home-Start UK provides a range of support for our local Home-Starts. We work closely with the network to support the growth and sustainability of the Home-Start service. We provide information and guidance to enhance the quality of our services and research to improve and influence the development of services for families. We support the smooth running of local Home-Starts, set and measure quality standards and provide training to make sure all our families get the same high standard of service. We also use our website and national presence to connect families and referrers to their local Home-Starts.

Public benefit

The board of trustees confirms it has complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

Organisational structure

Home-Start UK is a charity constituted as a company limited by guarantee in England and Wales, governed by a board of trustees. The Home-Start network consists of Home-Start UK together with 182 local Home-Starts, affiliated to Home-Start UK through a legal agreement. Local Home-Starts are separate charities in their own right and are responsible for their own financial affairs and statements. The total income of local Home-Starts is £38million, which together with Home-Start UK's group income of £4million gives the total Home-Start network income of £42 million.

Home-Start UK owns 100% of the issued equity share capital of Home-Start Consultancy Limited, a company incorporated in England. The subsidiary undertaking commenced trading during 2020-21.

Governance and management

Our Board of Trustees, who are also Directors of the Charity for the purposes of the Companies Act, have overall responsibility for setting the strategy of the Charity. Our Chief Executive, working with the Senior Leadership Team is responsible for delivering the Board's vision and strategy and for its day-to-day operations.

When seeking to fill vacancies on the board, the trustees identify the particular skills and expertise needed to cover the work of the board and prioritise these during the recruitment process. In an attempt to increase the diversity of the board's membership we advertise widely for new trustees, and ensure, throughout the recruitment process, that all applicants from a wide variety of backgrounds have an opportunity to succeed.

A panel of trustees interview all prospective trustees to determine that they have the required skills to contribute to the charity's management and development. New appointments are ratified by the full Board of Trustees. Trustees serve for an initial term of three years, and subject to review and the approval of the board, may serve a second period of three years. When trustees are appointed, they are given a formal introduction to the work of the charity and the information they need to fulfil their

roles as charity trustees and company directors. The trustee board meet quarterly plus two additional meetings to focus on Board development and strategy.

A Finance Sub Committee, with members with specific knowledge and experience in finance and fundraising, meet four times per year and report to the board.

An Impact Sub Committee meets between two and four times per year to oversee issues of quality, impact and network development and support the strategic governance of the impact of work across the Home-Start federation.

The charity provides third party indemnity insurance provision on behalf of the board of trustees.

Related parties and Home-Start Worldwide

Home-Start UK provides model operating policies, guidance and procedures for our network of 182 local Home-Starts.

Home-Start Worldwide sustains the development of Home-Starts across the world. In 2022-23 there were Home-Starts operating in 22 countries and five continents.

Home-Start UK owns 100% of the issued equity share capital of Home-Start Consultancy Limited, a company incorporated in England. Related party transactions during the year are shown in Notes 12 in the group financial statements. Home-Start Consultancy Limited undertakes commercial activities on behalf of the parent company Home-Start UK.

Financial review

Financial position

After two years of significant growth in charitable activity and income, the financial and economic context of 2022-23 contributed to a challenging year financially for Home-Start UK. Our net expenditure for the year was £2.102m excluding a net loss on investments of £24K. In line with our reserves policy and commitment to our strategy, we responded to this through the managed use of restricted funds and organisational reserves. Net incoming resources in unrestricted funds amounted to £115K, net outgoing resources in designated funds amounted to £1.259m and net outgoing resources in restricted funds amounted to £982K. Included as part of the 2022-23 income and expenditure was a one off gift in kind programme, where Home-Start UK was able to distribute £1.3m of devices to individuals in need from our corporate partner, BT.

With the roll out of our new strategy, we completed planned projects and have used opportunities during two years of growth to upgrade systems and controls across the organisation, including implementing new HR and finance systems. We have built foundations and staff teams to place us in a strong position to respond to what continues to be a challenging financial environment for our sector.

We are proud of our achievements in 2022-2023 and remain confident in our strategy for families. The Board have considered the long term objectives and strategy and believes the financial plans to support them are robust. Our voluntary income is growing, and we continue to receive fantastic support from our donors, funders and partners - we have secured significant investment and have a strong future ahead. We start our 2023-24 financial year with a higher level of pledged income than we have previously experienced and an overall income target of £3.9m.

For the year ahead, we have reduced our growth expectations but remain clear that ambition remains necessary to meet the demand on the Home-Start federation from families across the UK. The 2023-24 budget is anticipating an overall deficit of £484k. The balance of the deficit after restricted and designated projects of £431k will be from general reserves held at £1.58m. A reduced expenditure budget for 2023-24 is set at £4.4m.

The level of restricted and designated funds represents the volume of projects which were outstanding at the start of our financial year, restricted reserve of £1.24m and designated reserves of £1.29m. The programme of strategic changes funded with the designated funds has been completed. These changes have allowed us the capacity, within our staff structure and system abilities, to complete most of the outstanding restricted project work. £262k of restricted funds remains and mostly relates to funding of programmes originally expected to be still in operation after 31st March 2023. A small element of work from a previous strategic programme (our recovery and resilience programme to develop volunteer resources) has been carried over into 2023-24.

The Group Balance Sheet as at 31 March 2023 shows a decrease in net assets to £1.87m (2021-22: £4.00m), of which £262k (2021-22: £1.24m) represents restricted funds that must be expended on work specified by the donor. The decrease of £2.13m is broken down as, unrestricted funds net increase £0.08m, designated funds net decrease £1.22m and restricted funds net decrease £0.98m. The balance of unrestricted, including designated funds of £1.61m (2021-22: £2.75m) is reported net of the liability on the pensions reserve at £30K (2022-23: £43K). The level of the pensions reserve is the net present value of agreed deficit recovery payments until 2025 as required under FRS 102.

Total income in 2022-23

Total income for the group for the year was £3.84m, a decrease on the previous financial year (2021-22: £4.95m).

In 2022-23, income of £1.61m (2021-22: £3.72m) directly relates to charitable activities across our network. As detailed in Note 3 in the accounts, income from charitable activities comes from a mixture of government grants, a membership levy charged to local Home-Starts and support from trusts, foundations and corporate partners.

As part of the Home-Start Agreement (the legal agreement between local Home-Starts and Home-Start UK in our federation) local Home-Starts pay a membership levy to Home-Start UK. The levy is 1.8% of a local Home-Start's income from their previous financial year. The benefits of this include permission to use the Home-Start brand and resources from Home-Start UK including on safeguarding, volunteer recruitment, quality assurance, training and governance.

In 2022-23, £650K was received in contributions from the Home-Start levy (2021-22: £696K). During 2022-23, the levy was capped at £12,000 for individual local Home-Starts (2021-22: £10,000).

Total expenditure in 2022-23

Total operating expenditure was £5.92m including the gifts in Kind (2021-22: £4.92m). 91% of this expenditure (2021-22: 93%) was applied directly to Home-Start UK's charitable activities.

One core activity of Home-Start UK is to create and broker funding opportunities for the wider Home-Start network. In this way, local Home-Starts are able to access centrally secured to support families and develop their services.

Centrally-directed grant giving enables Home-Start UK to support local Home-Starts in delivering key services and helping them develop as sustainable organisations, thereby supporting our national strategic aims. Grants to local Home-Starts are secured from a range of other grant making organisations and are subject to a due diligence process. They are only committed once a bespoke grant agreement has been signed by the local board of trustees. Note 7 of the accounts outlines the grants made during the year.

The cost of raising funds in the year represented the remaining 9% (2022-23: 7%) of operating expenditure, the increase in the year is as a result of new staff and central support functions added to enable new income streams, along with some increased expenditure on technical advice and support to implement these changes.

Land and buildings

This year we moved the main office space to a leased premises at Arnhem House in Leicester. We intend to continue with a mix of office and remote working and are pleased to have secured funds to complete our re-design for the new space, to take place during in 2023-24.

Investment policy

The Memorandum and Articles of Association give the Trustees unrestricted powers of investment. The charity's current investment strategy is to deposit the majority of funds in short and medium term interest bearing accounts with UK banks and building societies.

CCLA were chosen as a charity specialist investment manager with strong governance and a clear approach to responsible and ethical investments designed to reflect the nature of the charities they serve. During 2022-2, no further funding was added to the Fund. Unrealised losses of £24K during the year resulted in a net balance in this Fund of £646K as at 31st March 2023 (2021-22: £671K). As this investment is intended to be held in excess of one year, the investment fund has been classed as a Fixed Asset Investment on the Balance Sheet.

Our funders

Home-Start UK enjoys support from a wide range of funders. We take great care to ensure they receive the maximum value for every penny they give. We would like to thank all the organisations, corporate partners and individuals who have funded Home-Start UK during 2022-23 and we look forward to working with them in future years. We are grateful for their ongoing support, generosity and passion for Home-Start and the families we support together.

Risk management and internal control

Home-Start UK operates a risk register reflecting its strategic plan and key operational risks. The strategic plan contains specific actions designed to mitigate all of the risks identified in the risk register.

Since Home-Start works with children and families at risk of harm, we consider safeguarding and child protection the greatest area of inherent risk with our work. Home-Start UK has developed a comprehensive framework of consents, controls, policies and reviews to ensure local Home-Starts fulfil their safeguarding/child protection responsibilities and deal with any concerns rapidly and sensitively. Home-Start UK asks local Home-Starts to report data breaches and safeguarding reputational threats against set criteria. Our Impact Sub Committee was created as a governance layer to support the protection and safeguarding of at risk groups. They report quarterly to the trustee board on safeguarding issues, emerging themes, staff training and reportable incidents. Staff across the network team have received DSO training, as the direct contact for safeguarding concerns and reportable incidents.

Maintaining an effective oversight and management of risk is a central responsibility of the Board of Trustees but to support the Board, each of our formal sub committees takes a direct role in leading on the ongoing review of a group of identified risks. This is complemented by an annual review of the risk by the Board and the ability to dive into any risk at any stages as deemed relevant by trustees and the senior leadership team as well as to test the effectiveness of our approach to risk management.

Risk oversight is delegated as follows:-

Senior Leadership team -

- We are insufficiently agile as an organisation and a federation to respond to turbulence in our environment and to recover from the pandemic.
- We are unable to maintain positive, effective relationships with the Home-Start network to enable us to deliver for families.
- Inability to respond to the sector challenges around diversity and inclusion leaves Home-Start vulnerable to reputational criticism.
- Our staff are unable to deliver our ambitions because of capacity, lack of skills, poor wellbeing, or burnout/disengagement.

Finance Sub Committee -

- Inability to balance Home-Start UK's core income and expenditure, cash flow and reserves.
- Inability to secure future income in line with plans with funders, supporters and partners.
- Failure to comply with regulatory and legal requirements around financial controls, governance and data results in a loss of reputation or penalty.
- Systems failure, cyber-attack or fraud present significant compromise to Home-Start UK's ability to operating including in a remote environment.

Impact Sub Committee -

- We are unable to measure and communicate our impact for families in order to position ourselves effectively with funders and decision-makers.
- A safeguarding or child protection issue, or failure of Home-Start UK, results in harm and loss of trust and reputation among key stakeholders.
- Concerns around governance, compliance, financial controls, practice or lack of volunteers in local Home-Starts lead to operational failure in the Home-Start network.
- Lack of financial sustainability or income diversification across the Home-Start network reduces our federations' longer term ability to serve families.

Remuneration policy

The Finance Committee, on behalf of the trustee board, consider and set staff pay. A non-contractual health care provision is in place for all staff as an additional benefit.

We review staff job descriptions annually as part of an annual appraisal process and the senior leadership team consider any proposals for amendments to roles and remuneration.

The Board sets the chief executive pay level taking into account pay levels in other similar sized charities. The Board also considers any proposed changes to roles and remuneration for executive staff on the senior leadership team. Trustees are entitled to claim expenses but do not receive any remuneration for their time. Trustee expenses are shown in Note 10 of the group financial statements.

Reserves policy and going concern

During the year the trustees have reviewed the level of reserves they believe are required to fund the work of Home-Start UK.

Free reserves are held to finance working capital requirements and are defined as unrestricted funds excluding fixed assets and designated funds. The target for free reserves has been set at £1.39m, which equates to 3.8 months of budgeted revenue expenditure. This is based on a calculated consideration of the working capital requirements necessary for different aspects of the organisation's expenditure (principally salaries, overheads and project expenditure where payment is often received in arrears). It also includes the lease commitments related to the head office in Leicester, which run until 2025. Free reserves are monitored regularly through the monthly management accounts process.

At 31 March 2023, free reserves were £1.54m (2022: £1.46m). This equates to 4.2 months revenue expenditure (2022: 3.2 months). The trustees will continue to monitor reserves levels closely during the coming year.

At the end of 2022-23, two designated funds remained in place in order to resource long-term expenditure requirements in identified areas:

- **Fixed Assets Fund** – The fixed asset fund represents all unrestricted funds invested in fixed assets net of any associated liabilities.
- **Recovery & Resilience Programme** – This fund will support Home-Start UK to centrally support the Home-Start network to recover and become more resilient post pandemic through continued investment in growth and skilled staff at Home-Start UK. Most activities relating to this fund were completed in 2022-23

Subsequent to the review of reserves and to strategic planning work undertaken during the year, the trustees are satisfied that sufficient reserves are held to allow the charity to continue operating as a going concern. The trustee board considered and concluded there were no material uncertainties for Home-Start UK to continue operating for at least 12 months from the approval of this Annual Report following consideration of budgets, forecasts, cash flow projections, reserves and financing.

Fundraising regulator

Home-Start UK fully supports the self-regulation of fundraising and is committed to providing its supporters with the best possible levels of service.

Home-Start UK is registered with the Fundraising Regulator. We work within the guidelines and standards as set out by the Charity Commission and the Fundraising Regulator to ensure the protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Home-Start UK maintains a formal complaints procedure. During the year 2021-22, we received one fundraising complaint. The complaint resulted from the support we provided for a challenge event participant. We are committed to always listening to our supporters and putting them at the heart of our work. A subsequent review of our procedures in this area has ensured a better experience for all those who participate in fundraising challenge events on our behalf.

On occasion our federated structure can mean that some donations intended for a local Home-Start come through to Home-Start UK in error. We do all we can to avoid this happening but where we have been notified of a donation that was intended for a local Home-Start having been sent to Home-Start UK we have forwarded the amount in question to the relevant local Home-Start in line with the donor's wishes.

Our directly employed fundraising team undertakes the majority of our fundraising work. However, because of the specialist nature of some of the work, we do from time to time work with external agencies for creative, digital and marketing support to help us communicate effectively with donors and potential donors. We require these contractors, as a minimum, to operate within the remit of the fundraising regulator TPS framework, the GDPR framework and our own fundraising guidelines and monitor each contract on an ongoing basis to make sure operators comply with these requirements. During 2021-22, there were no reported incidents in which a contractor did not operate to the required standard.

Protecting our data

We take the protection of our clients' data extremely seriously. We are particularly alert to potential cyber-attacks and other external threats and to the changing regulatory environment signalled by the introduction of the General Data Protection Regulation (GDPR). We implemented plans to support the introduction of the GDPR in May 2018 and Really Good Data Protection (RGDP) are our external Data Protection Officer.

Equity, Equality, Diversity and Inclusion policy

Home-Start UK's goal is to be truly inclusive, benefit from diversity and appreciate everyone for their contribution and welcome and value difference. We treat everyone with respect and offer equal chances to participate. Our Strategic Framework, launched in May 2022, places a specific focus on advancing inclusion.

Home-Start UK has high standards and we will investigate and take action on any reports of practice, which trustees, staff, volunteers or families believe to be unfair or discriminatory. Performance is

checked through Home-Start Quality Assurance assessments and reviews. Home-Start UK is certified to ISO 9001.

As described earlier, in 2022, we launched a new EEDI Action Plan that reports into the Trustee Board. This plan and our progress is made publicly available on our website. We have created a diversity champions group and compile surveys of staff to measure our progress as an employer and use the results from these to inform future planning and targets. We fully comply with our obligations under the Equality Act 2010.

We take seriously our role as a charity and central body within a federation to challenge inequality, use data to build understanding and action, become a more inclusive employer, enhance the representativeness of our Boards and instil greater cultural confidence of Home-Start UK and the wider network.

Statement of responsibilities of the trustees

The trustees (who are also directors of Home-Start UK for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the 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 Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2023 was 9 (2021-22: 13). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report was approved by the trustees on 6th December 2023 and signed on their behalf by the chair.

Lin Hinnigan

Chair of Trustees

Independent Auditor's Report

Opinion

We have audited the financial statements of Home-Start UK (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2023 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2023 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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) Regulation 2006 (as amended)

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 Home-Start UK's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the finance committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

11 December 2023

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2023

	Note	Unrestricted £	Designated £	Restricted £	2023 Total £	*Unrestricted £	*Designated £	Restricted £	2022 Total £
Income from:									
Donations	2	749,423	52,500	30,000	831,923	1,019,912	-	105,240	1,125,152
Charitable activities									
Standing Alongside Families	3	278,342	-	357,081	635,423	278,472	-	860,130	1,138,602
Standing Together	3	263,678	35,000	396,711	695,389	134,665	210,687	1,527,474	1,872,826
Growing our Movement	3	174,921	-	103,870	278,791	204,235	-	500,407	704,642
Gift in kind		1,310,895			1,310,895	-	-	-	-
Other trading activities	4	45,791	-	-	45,791	79,946	-	-	79,946
Investments	5	39,201	-	-	39,201	25,229	-	-	25,229
Total income		2,862,251	87,500	887,662	3,837,413	1,742,459	210,687	2,993,251	4,946,397
Expenditure on:									
Raising funds	6	266,652	138,867	79,721	485,240	261,183	-	72,396	333,579
Charitable activities									
Standing Alongside Families	6	507,059	367,124	747,247	1,621,430	629,272	-	1,392,584	2,021,856
Standing Together	6	424,442	606,158	784,537	1,815,137	489,544	42,820	1,314,854	1,847,218
Growing our Movement	6	190,534	234,430	258,354	683,318	252,351	-	466,883	719,234
Gift in kind		1,310,895	-	-	1,310,895	-	-	-	-
Subtotal of operating expenditure		2,699,582	1,346,579	1,869,859	5,916,020	1,632,350	42,820	3,246,717	4,921,887
Increase / (decrease) in pension liability	23	23,052	-	-	23,052	(92,788)	-	-	(92,788)
Total expenditure		2,722,634	1,346,579	1,869,859	5,939,072	1,539,562	42,820	3,246,717	4,829,099
Net income/(expenditure) before investment gains		139,617	(1,259,079)	(982,197)	(2,101,659)	202,897	167,867	(253,466)	117,298
Net (loss)/ gains on investments		(24,353)	-	-	(24,353)	52,305	-	-	52,305
Net income / (expenditure) for the year	9	115,264	(1,259,079)	(982,197)	(2,126,012)	255,202	167,867	(253,466)	169,603
Transfers between funds		(35,238)	35,238	-	-	(207,738)	207,738	-	-
Net movement in funds		80,026	(1,223,841)	(982,197)	(2,126,012)	47,464	375,605	(253,466)	169,603
Reconciliation of funds:									
Total funds brought forward		1,464,045	1,288,385	1,244,354	3,996,784	1,416,581	912,780	1,497,820	3,827,181
Total funds carried forward		1,544,071	64,544	262,157	1,870,772	1,464,045	1,288,385	1,244,354	3,996,784

*The unrestricted amounts in the Consolidated Statement of Financial Activities for 2021-22 has been restated to highlight the split between amounts that were designated to be used for specific activities by the Trustees.

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 25(a to d) to the financial statements.

As at 31 March 2023

	Note	The Group 2023 £	2022 £	The Charity 2023 £	2022 £
Fixed assets:					
Tangible assets	14	43,544	8,306	43,544	8,306
Listed investments	15a	646,405	670,758	646,405	670,758
Shares in group undertaking	15b		-	100	100
		689,949	679,064	690,049	679,164
Current assets:					
Debtors	18	305,819	975,447	385,829	980,318
Short notice deposits held for investment		1,000,000	1,408,105	1,000,000	1,408,105
Cash at bank and in hand		447,733	1,472,008	345,620	1,402,482
		1,753,552	3,855,560	1,731,449	3,790,905
Liabilities:					
Creditors: amounts falling due within one year	19	(559,624)	(510,625)	(553,016)	(507,042)
Net current assets		1,193,928	3,344,935	1,178,433	3,283,863
Total assets less current liabilities		1,883,877	4,023,999	1,868,482	3,963,027
Creditors: amounts falling due after one year	21	(13,105)	(27,215)	(13,105)	(27,215)
Total net assets		1,870,772	3,996,784	1,855,377	3,935,812
The funds of the charity:	25				
Restricted income funds		262,157	1,244,354	262,157	1,244,354
Unrestricted income funds:					
Designated funds		64,544	1,288,385	64,544	1,288,385
Pension reserve		(29,853)	(43,475)	(29,853)	(43,475)
Non-charitable subsidiary funds		15,395	60,972	-	-
General funds		1,558,529	1,446,548	1,558,529	1,446,548
Total unrestricted funds		1,608,615	2,752,430	1,593,220	2,691,458
Total funds		1,870,772	3,996,784	1,855,377	3,935,812

Approved by the trustees on 6 December 2023 and signed on their behalf by

Lin Hinnigan
Home-Start UK, Chair of Trustees

Consolidated statement of cash flows

For the year ended 31 March 2023

	Note	£	2023 £	£	2022 £
Cash flows (used in) / provided by operating activities					
Net cash provided by operating activities	26		(1,421,265)		491,744
Cash flows from investing activities:					
Interest from investments			39,201	25,229	
Purchase of tangible fixed assets			(50,316)	-	
Net cash (used in) / provided by investing activities			(11,115)		25,229
Change in cash and cash equivalents in the year			(1,432,380)		516,973
Cash and cash equivalents at the beginning of the year			2,880,113		2,363,140
Cash and cash equivalents at the end of the year	27		1,447,733		2,880,113

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies

a) Statutory information

Home-Start UK is a charitable company limited by guarantee and is incorporated in England and Wales, and Scotland. The registered office address and principal place of business is Arnhem House, 31 Waterloo Way, Leicester, LE1 6LP.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Home-Start Consultancy Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The wholly-owned subsidiary became operational on 1st November 2020.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgments, for example in respect of significant accounting estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgments affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation 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. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, 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 services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Investment income is earned through holding assets for investment purposes. It may include dividends and interest. It is included when the amount can be measured reliably.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)**i) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Standing alongside families relates to the costs incurred in making the case for support to help more families avoid crisis as a result of receiving appropriate early support.
- Stronger together relates to the costs of a thriving, collaborative UK-wide community of high quality Home-Start provision for families with young children
- Growing our movement relates to a collective ambition to reach significantly more families and in a way that works for them

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Where directly attributable resources expended are allocated to the particular activity where the cost relates. Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure. Similarly where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

• Standing alongside families	31%
• Stronger together	42%
• Growing our movement	17%
• Cost of raising funds	10%

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Fixtures and fittings	15%
• Computer Equipment	33%
• Information system	15%

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) Fixed asset investments

Investments are a form of non-basic financial instrument and are initially recognised at their transaction value and subsequently measured at fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Notes to the financial statements

For the year ended 31 March 2023

1 Accounting policies (continued)**p) Debtors**

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

q) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 30 days and 12 months.

r) Cash at bank and in hand

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

s) Creditors and provisions

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.

t) Financial instruments

The charity has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities. Full details are given in the financial instruments note.

u) Pensions

Home-Start UK makes contributions into a defined benefit pension scheme, which is now closed and a number of defined contribution schemes. The defined benefit scheme is a multi-employer scheme and it is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. Home-Start UK has recognised its liability for past service deficits for this scheme and these are noted as a liability and in the pension reserve. The assets of the various schemes are held separately from those of Home-Start UK in independently administered funds. Employer contributions are charged in the Statement of Financial Activities as they fall due.

2 Income from donations

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Individual donations	215,305	-	215,305	386,294	4,765	391,059
Corporate partnership donations	421,053	-	421,053	491,195	-	491,195
Trust/foundation donations	75,200	-	75,200	91,000	100,475	191,475
Cost of living appeal	84,708	30,000	114,708	-	-	-
Christmas Appeal	3,500	-	3,500	40,741	-	40,741
Coronavirus Job Retention Scheme	-	-	-	3,334	-	3,334
Legacies	2,157	-	2,157	7,348	-	7,348
	801,923	30,000	831,923	1,019,912	105,240	1,125,152

Donations

Income received from charitable trusts, corporate partners, charity challenges and individual givers for our work across the UK. Individual donations decreased as the UK economy experienced an increase in the cost of living which has an impact on individual givers. Corporate partnership donations decreased as our partnerships with some major corporates can to an end as new ones are negotiated

Notes to the financial statements

For the year ended 31 March 2023

3 Income from charitable activities

Funding is allocated to either the most relevant strategic workstream or, where appropriate, proportionally across multiple workstreams.

	Unrestricted £	Restricted £	2023 Total £	Unrestricted £	Restricted £	2022 Total £
Standing Alongside Families						
Membership Levy	259,842	-	259,842	278,472	-	278,472
Corra Foundation (Scotland)	-	82,740	82,740	-	78,800	78,800
DHSS Family Policy Unit (Northern Ireland)	-	11,345	11,345	-	11,345	11,345
Department of Digital, Culture, Media and Sport	-	-	-	-	-	-
Scottish Government	-	200,000	200,000	-	152,350	152,350
Support from trusts and foundations	-	62,996	62,996	-	603,135	603,135
Support from corporate partners	18,500	-	18,500	-	14,500	14,500
Sub-total for Standing Alongside Families	278,342	357,081	635,423	278,472	860,130	1,138,602
Standing Together						
Membership Levy	259,842	-	259,842	278,472	-	278,472
Corra Foundation (Scotland)	-	82,740	82,740	-	228,212	228,212
DHSS Family Policy Unit (Northern Ireland)	-	26,471	26,471	-	26,470	26,470
Department of Digital, Culture, Media and Sport	-	-	-	-	67,500	67,500
Community Fund (various grants)	-	-	-	-	-	-
Support from trusts and foundations	26,000	187,500	213,500	-	952,342	952,342
Support from corporate partners	11,968	100,000	111,968	65,000	252,950	317,950
Training events	-	-	-	900	-	900
Sales of material and publications	868	-	868	980	-	980
Sub-total for Standing Together	298,678	396,711	695,389	345,352	1,527,474	1,872,826
Growing our Movement						
Membership Levy	129,921	-	129,921	139,235	-	139,235
Corra Foundation (Scotland)	-	41,370	41,370	-	39,400	39,400
Department of Digital, Culture, Media and Sport	-	-	-	-	22,500	22,500
Support from trusts and foundations	39,000	62,500	101,500	-	181,889	181,889
Support from corporate partners	6,000	-	6,000	65,000	256,618	321,618
Sub-total for Growing our Movement	174,921	103,870	278,791	204,235	500,407	704,642
Total income from charitable activities	751,941	857,662	1,609,603	828,059	2,888,011	3,716,070

Membership Levy

The membership levy is received from local Home-Starts who each contribute 2% of 90% of their income from the previous financial year in line with the Home-Start agreement. The levy is not a payment for specific services and the support of an individual local Home-Start does not vary according to the amount that they pay each year. During 2022-23, the levy was capped at £12,000 for individual local Home-Starts (2021-22: £10,000).

Government Grants

A grant was received from DHSS Family Policy Unit of £37,815 (2022: £37,815) for our work in Northern Ireland. A grant was received from the Corra Foundation of £206,850 (2022: £197,000) for our work in Scotland. The Scottish Government supported our work during the pandemic totalling £200,000 (2022: £152,350) for a further winter support fund and family focus groups.

Support from the Community fund, corporate, trusts and foundations

Grants were received to support our work across the UK with continued support in specific areas across the UK. A number of trusts and foundations continued to support our work started in previous years: Dulverton Trust £30,000 (2022: £39,350) for our Breathing Spaces project. The roll out and development of Big Hopes Big Future® in England and Wales is funded by the Masonic Charitable Foundation. no new funding was drawn in 2023 and the project is being reviewed (2022: £87,638), the Army Central Fund of 53,000 (2022: £49,200) for our work with army families and a partnership with The Royal Navy and Royal Marines Charity for work with naval families.

Notes to the financial statements

For the year ended 31 March 2023

4 Income from other trading activities

	2023			2022		
	Unrestricted £	Restricted £	Total £	Unrestricted £	Restricted £	Total £
Subsidiary trading income	21,198	-	21,198	74,022	-	74,022
Other	24,593	-	24,593	5,924	-	5,924
	<u>45,791</u>	<u>-</u>	<u>45,791</u>	<u>79,946</u>	<u>-</u>	<u>79,946</u>

5 Income from investments

	2023 £	2022 £
Bank Interest	20,406	6,803
Interest from fixed asset investments	18,795	18,426
	<u>39,201</u>	<u>25,229</u>

All income from investments is unrestricted.

Notes to the financial statements

For the year ended 31 March 2023

6a Analysis of expenditure (current year)

	Charitable activities						2023 Total £	2022 Total £
	Cost of raising funds £	Standing alongside families £	Stronger together £	Growing our movement £	Governance costs £	Central support costs £		
Staff costs (Note 10)	286,254	680,018	968,100	406,620	22,784	272,854	2,636,630	1,899,957
Recruitment	-	89	67	67	-	10,008	10,231	56,810
Travel	10,078	18,660	21,251	11,925	878	3,657	66,449	42,253
Office Costs	19,089	107,061	94,586	41,581	1,421	82,344	346,082	318,711
Internal Meetings	3	1,651	1,478	1,209	16	65	4,422	9,114
Grants to local Home-Starts (Note 7)	1,891	486,387	285,698	46,916	-	-	820,892	1,734,873
Technical advice and support (Note 8)	49,214	81,006	94,568	27,811	923	27,276	280,798	407,883
Training and development	16,925	36,388	72,940	35,012	3,570	20,742	185,577	226,463
Depreciation and loss on disposal	754	3,958	5,868	1,886	120	2,493	15,079	12,477
Fundraising materials/events expenses	41,229	9,011	5,465	5,559	-	-	61,264	59,863
Audit fees/legal and professional	2,327	21,149	26,505	11,410	80,185	32,925	174,501	150,683
Evaluation, scaling & dissemination	-	-	3,200	-	-	-	3,200	2,800
	427,764	1,445,378	1,579,726	589,996	109,897	452,364	4,605,125	4,921,887
Central support costs	139,931	188,543	77,133	46,757	-	(452,364)	-	-
	-	-	-	-	-	-	-	-
Governance costs	34,411	46,012	18,240	11,234	(109,897)	-	-	-
Total expenditure 2023	602,106	1,679,933	1,675,099	647,987	-	-	4,605,125	4,921,887
Total expenditure 2022	333,579	2,021,856	1,847,218	719,234	-	-	4,921,887	

6b Analysis of expenditure (previous year)

	Cost of raising funds £	Charitable activities				Central support costs £	2022 Total £
		Standing alongside families £	Stronger together £	Growing our movement £	Governance costs £		
Staff costs (Note 10)	171,205	532,536	697,887	304,030	41,613	152,686	1,899,957
Recruitment	11,098	5,543	10,130	3,605	20,616	5,818	56,810
Travel	4,529	6,789	19,573	7,877	594	2,891	42,253
Office Costs	20,024	80,309	63,132	23,020	3,756	128,470	318,711
Internal Meetings	1,537	2,557	2,114	2,241	605	60	9,114
Grants to local Home-Starts (Note 7)	4,928	1,073,164	517,158	139,623	-	-	1,734,873
Technical advice and support (Note 8)	8,512	106,996	172,018	86,868	6,231	27,258	407,883
Training and development	17,513	24,420	114,383	50,228	1,048	18,871	226,463
Depreciation and loss on disposal	1,151	3,521	4,710	1,866	176	1,053	12,477
Fundraising materials/events expenses	34,937	6,115	9,123	9,688	-	-	59,863
Audit fees/legal and professional	4,834	16,608	15,830	3,625	79,069	30,717	150,683
Evaluation, scaling & dissemination	-	-	2,800	-	-	-	2,800
	280,268	1,858,558	1,628,858	632,671	153,708	367,824	4,921,887
Central support costs	37,599	115,170	154,004	61,051	-	(367,824)	-
Governance costs	15,712	48,128	64,356	25,512	(153,708)	-	-
Total expenditure 2022	333,579	2,021,856	1,847,218	719,234	-	-	4,921,887

Notes to the financial statements

For the year ended 31 March 2023

7 Analysis of grants to local Home-Starts

	2023 £	2022 £
Grants to institutions		
Crisis pandemic funds for local Home-Starts (see breakdown below)	6,500	395,319
Cost of living support	29,000	-
Breathing Space fund - Pears	196,000	-
Supporting our service across Manchester (see breakdown below)	-	180,000
Supporting families and children affected by poverty in Scotland (STV Children's Appeal)	160,000	150,000
To deliver change in holistic family support in Scotland (The Promise)	73,515	17,366
Supporting work with service families (see breakdown below)	47,000	45,000
Big Hopes Big Future®	-	42,453
Recovery and resilience programme (see breakdown below)	14,057	690,953
Sustainability of local Home-Starts to support families (funded by The Brook Trust)	-	47,700
Connecting from the Start (funded by Kristian Gerhard Foundation)	-	20,000
Volunteering-upskilling programme (funded by John Lewis Partnership)	-	74,000
Volunteering Futures Fund (funded by Pears/DCMS)	40,000	10,000
Addressing isolation and loneliness in families (funded by Volant Charitable Trust)	120,000	-
Trustee recruitment/Strategic support/Family Focus Groups (funded by the Scottish Government)	-	12,350
Empowering women (Funded by White Stuff)	69,000	-
Supporting young people in Scotland (funded by the Scottish Children's Lottery)	0	20,920
Warm spaces friendly faces (funded by White Stuff)	50,000	-
Family Support to naval families (funded by the Royal Navy & Royal Marines Charity)	12,700	20,200
Other	3,120	8,612
At the end of the year	820,892	1,734,873

Home-Start UK is instrumental in securing funding to pass on to local Home-Starts. These grants are distributed in line with the criteria of the funder. Applications are formally assessed by a panel. Central support costs are allocated as shown in Note 6. In total, 207 (2022: 437) grant payments to local Home-Starts were made during 2022/23.

Breakdown of material grants included in the above grants to institutions:-	2023 £	2022 £
◦ Caring for families during COVID		
- Following 128 grants in 2020-21, 6 further grants were made thanks to the John Lewis Partnership to support families under the categories of Warm, Smile, Food, Connect and Access	-	42,820
◦ Supporting local Home-Starts to support families with isolation		
- 27 local Home-Starts in Scotland were supported by the Scottish Government to address loneliness and isolation in young parents.	160,000	152,500
- 15 local Home-Starts were supported by the Volant Charitable Trust towards addressing isolation and loneliness in families and supporting their capacity to parents	120,000	-
◦ Supporting local Home-Starts to support families through Cost of Living Crisis		
- supporting 23 of the most vulnerable local Home-Starts by providing Breathing Space grant to	196,000	-
◦ Covid-19 Reconnection Project		
- Covid response emergency funding to help 19 Home-Starts to continue working to tackling loneliness	-	199,999
	476,000	395,319
Supporting our service across Manchester		
Home-Start Manchester	-	45,000
Home-Start Oldham, Stockport & Tameside	-	60,000
Home-Start Rochdale	-	30,000
Home-Start Trafford	-	45,000
	-	180,000
Recovery and Resilience Programme		
◦ The John Lewis Partnership funded 42 grants in 10 SuperCharged communities supporting families locally	-	171,304
◦ 75 grants in England and 24 grants in Wales, Scotland and Northern Ireland (funded by Pears Foundation/DCMS) towards the resilience and sustainability of the network	-	432,433
◦ 25 grants were awarded as part of the Build Back Better Programme funded by The Brook Trust focussing on governance	-	87,216
	-	603,737
Supporting work with Service families		
Various Home-Start schemes (11 grants ranging from £500 to £10,000)	-	45,000
	-	45,000

Notes to the financial statements

For the year ended 31 March 2023

8 Analysis of technical advice and support

	2023 £	2022 £
Technical advice and support		
Network development	45,215	52,929
PR and communications	31,998	39,301
Home-Start Agreement	-	2,600
Corporate partnership development	94,545	86,696
Strategy and policy development	24,540	67,085
Digital, data and technology development	21,524	109,152
To support funded projects	46,962	45,623
Other	16,014	4,497
	280,798	407,883

Home-Start UK uses technical advice, support and expertise to assist in strategic development as part of externally funded projects and to provide targeted expenditure in key areas such as strategic development, digital development, building corporate partnerships and supporting network development using freelance, interims via agencies and consultancy.

9 Net income/(expenditure)

This is stated after charging /(crediting):

	2023 £	2022 £
Depreciation	6,772	8,821
Operating lease rentals:		
Property	32,534	32,965
Other	-	753
Auditors' remuneration (excluding VAT):		
Audit	18,150	15,850
Other services	1,000	1,630

10 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2023 £	2022 £
Salaries and wages	2,220,064	1,613,966
Redundancy costs paid and settled	36,216	-
Social security costs	223,510	166,809
Employer's contribution to defined contribution pension schemes	156,840	119,182
	2,636,630	1,899,957

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2023 No.	2022 No.
£100,000 - £109,999	1	1
£70,000 - £79,999	2	2
£60,000 - £69,999	1	1

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £364,481 (2022: £389,886).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2022: £nil). No charity trustee received payment for professional or other services supplied to the charity (2022: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,238 (2022: £1,264) incurred by 8 (2022: 8) members relating to attendance at meetings of the trustees.

11 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2023 No.	2022 No.
Raising funds	3.8	3.6
Standing alongside families	12.9	10.9
Stronger together	20.2	14.6
Growing our movement	7.0	5.8
Central support costs	8.9	3.2
Governance	0.7	0.6
	53.4	38.7

The number of employees calculated on the basis of full-time equivalents at the end of the year was 47.8 (2022: 43.6).

12 Related party transactions

Our honorary president, James Sainsbury OBE, is also a trustee of The Headley Trust and The Tedworth Charitable Trust. The Headley Trust made a grant of £2,500 (2022: £22,000) towards the cost of living appeal and The Tedworth Charitable Trust made a donation of £30,000 (2022: £nil) towards Home-Start UK core costs. There were no outstanding balances due to or from related parties at 31st March 2023. (2022: £nil). James Sainsbury OBE receives no benefit from the grants made to the charity.

Home-Start UK received donations totalling £2,038 (2022: £886) from 2 trustees (2022: 2 trustees). The trustees receive no benefit from the donations made to the charity.

Elizabeth Hill-Smith, a trustee of Home-Start UK to 28 September 2022 is also a volunteer of Home-Start Waverly, no payment was made to Home-Start Waverly in the financial year (2022: £3,191). In 2021-22, the £3,191 was a grant to support the local Home-Start in recovery and sustainability.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

13 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The charity's trading subsidiary Home-Start Consultancy Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2023 £	2022 £
UK corporation tax at 19%	-	-

14 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Information system £	Total £
The group and charity				
Cost				
At the beginning of the year	51,254	129,019	-	180,273
Additions	-	20,316	30,000	50,316
Disposals in year	(51,254)	(129,019)	-	(180,273)
At the end of the year	-	20,316	30,000	50,316
Depreciation				
At the beginning of the year	43,117	128,850	-	171,967
Disposals in year	(43,117)	(128,850)	-	(171,967)
Charge for the year	-	6,772	-	6,772
At the end of the year	-	6,772	-	6,772
Net book value				
At the end of the year	-	13,544	30,000	43,544
At the beginning of the year	8,137	169	-	8,306

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2023

15a Listed investments

	The group 2023 £	2022 £	The charity 2023 £	2022 £
Fair value at the start of the year	670,758	618,453	670,758	618,453
Net (loss) / gain on change in fair value	(24,353)	52,305	(24,353)	52,305
Fair value at the end of the year	646,405	670,758	646,405	670,758
Investments comprise:				
COIF Charities Investment Fund	646,405	670,758	646,405	670,758
	646,405	670,758	646,405	670,758

15b Shares in group undertaking

	2023 £	2022 £
Cost at 1 April 2022 and 31 March 2023	100	100

16 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Home-Start Consultancy Limited, a company registered in England. The company number is 02810260. The registered office address is 4th floor Arnhem House, 31 Waterloo Way, Leicester, United Kingdom, LE1 6LP.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustee Felicity Clarkson CBE, is also a director of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2023 £	2022 £
Turnover	21,198	74,022
Cost of sales	-	-
Gross profit	21,198	74,022
Administrative expenses	(4,753)	(12,000)
Profit on ordinary activities before interest and taxation	16,445	62,022
Profit on ordinary activities before taxation	16,445	62,022
Taxation on profit on ordinary activities	-	-
Profit for the financial year	16,445	62,022
Retained earnings		
Total retained earnings brought forward	61,072	98,867
Profit for the financial year	16,445	62,022
Distributed to parent charity	(62,022)	(99,817)
Total retained earnings carried forward	15,495	61,072
The aggregate of the assets, liabilities and reserves was:		
Assets	105,363	113,105
Liabilities	(89,868)	(52,033)
Reserves	15,495	61,072

Amounts owed to/from the parent undertaking are shown in notes 18 and 19.

Included within administrative expenses above is a management charge of £4,389 (2022: £4,389) from the parent entity.

17 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2023 £	2022 £
Gross income	3,882,628	4,876,764
Result for the year	(2,080,900)	107,581

18 Debtors

	The group 2023 £	2022 £	The charity 2023 £	2022 £
Trade debtors	109,408	75,632	106,826	32,532
Accrued income	98,393	795,202	98,393	795,202
Other debtors	53,953	23,104	53,763	23,104
Prepayments	44,065	81,509	44,065	81,509
Amounts due from group undertaking	-	-	82,782	47,971
	305,819	975,447	385,829	980,318

The accrued income amount of £98,393 (2022: £795,202) includes £87,638 (2022: £87,638) from the Masonic Charitable Foundation as part of a five year programme intended to support 3,000 children through our Big Hopes Big Future® school readiness programme. Also included here is £10,294 (2022: £148,000) to be drawn against grants provided by the Fidelity UK Foundation towards business intelligence project enabling more vulnerable families to achieve positive outcomes.

19 Creditors: amounts falling due within one year

	The group 2023 £	2022 £	The charity 2023 £	2022 £
Trade creditors	101,203	55,566	99,686	54,050
Taxation and social security	55,107	63,311	55,107	63,311
Other creditors	37,162	27,084	31,593	27,084
Accruals	76,750	129,726	76,750	127,446
Grants payable	61,166	22,111	61,166	22,111
Grant commitments	205,940	188,058	205,940	188,058
Pension deficit	16,748	16,260	16,748	16,260
Amounts owed to group undertaking	-	-	478	213
Deferred income (note 20)	5,548	8,509	5,548	8,509
	559,624	510,625	553,016	507,042

Grants commitments of £205,940 (2022: £188,058) includes onward committed grants to local Home-Starts from the Pears Foundation grant £196,000 (2022: nil). This grant from the Pears Foundation is a new fund received during the financial year. Also included in grants commitments is £9,890 (2022: £72,641 the Masonic Charitable Foundation for Big Hopes Big Future®).

20 Deferred income

Deferred income comprises funds held on behalf of local Home-Starts for future events.

	The group 2023 £	2022 £	The charity 2023 £	2022 £
Balance at the beginning of the year	8,509	4,568	8,509	19,927
Amount released to income in the year	(8,509)	(4,568)	(8,509)	(19,927)
Amount deferred in the year	5,548	8,509	5,548	4,568
Balance at the end of the year	5,548	8,509	5,548	4,568

21 Creditors: amounts falling due after one year

	The group		The charity	
	2023	2022	2023	2022
	£	£	£	£
Pension deficit	13,105	27,215	13,105	27,215
	13,105	27,215	13,105	27,215

22 Financial instruments

	2022	2021
	£	£
Financial assets measured at fair value through profit and loss		
Investments	646,405	670,758
Financial liabilities measured at fair value through profit or loss		
Defined pension scheme liability	(43,475)	(43,475)

23 Pension scheme

The Pensions Trust - Growth Plan ("the scheme")

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company 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 scheme is classified as a 'last-man standing arrangement'. Therefore the company 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.

A full actuarial valuation for the scheme was carried out at 30 September 2020. Following confirmation of the final audited asset value, the deficit has reduced to £31.6m (2017: £131.5m). The Recovery Plan end date has been maintained at 31 January 2025. Expenses will be set at £3.7m per annum for the Plan overall and will increase by 3% per annum.

Expenses will no longer be included in the deficit payment and from 1 April 2022 will be identified separately and paid in addition to deficit contributions. This approach is more transparent and has the benefit to employers of expenses no longer being included in employer accounts for the purposes of FRS102.

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 the scheme is in deficit and where Home-Start UK has agreed to a deficit funding arrangement, Home-Start UK recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The amount recognised includes the unwinding of the discount used to calculate the net present value.

Home-Start UK ceased to provide this defined benefit scheme with effect from January 2009, with most of the members switching to the defined contribution scheme. Home-Start UK contributed £37k to the past service deficit of the defined benefit scheme in the year (2022: £56k) and will continue to contribute annually until 2025 subject to changes in deficit contributions once confirmed. Under the new recovery plan, from 1 April 2022, the deficit contributions are £17.3k per annum and the expense amount is £19.3k per annum bringing the total payment to £36.6k per annum.

24a Analysis of group net assets between funds (2022/23 - current year)

	General	Designated	Restricted	Total funds
	unrestricted			
	£	£	£	£
Tangible fixed assets	-	43,544	-	43,544
Investments	646,405	-	-	646,405
Net current assets	910,771	21,000	262,157	1,193,928
Long term liabilities	(13,105)	-	-	(13,105)
Net assets at 31 March 2022	1,544,071	64,544	262,157	1,870,772

24b Analysis of net assets between funds (2021/22 - prior year)

	General	Designated	Restricted	Total funds
	unrestricted			
	£	£	£	£
Tangible fixed assets	-	8,306	-	8,306
Investments	670,758	-	-	670,758
Net current assets	820,502	1,280,079	1,244,354	3,344,935
Long term liabilities	(27,215)	-	-	(27,215)
	-	-	-	-
Net assets at 31 March 2021	1,464,045	1,288,385	1,244,354	3,996,784

25a Movements in restricted funds (2022/23 - current year)

	At 1 April 2022 £	Income £	Expenditure £	Transfers £	At 31 March 2023 £
Aberdeen Asset Management Charitable Foundation	16,250	-	-	-	16,250
Army Central Fund	-	53,000	(53,000)	-	-
Big Lottery Fund - Greater Manchester project	8,450	-	(8,450)	-	-
Brook Trust	-	-	-	-	-
BT	10,000	-	(10,000)	-	-
Charles Gordon Foundation	57,562	-	(57,562)	-	-
Corra Foundation	-	206,850	(206,850)	-	-
Corra Foundation - The Promise Partnership	102,443	-	(102,443)	-	-
DHSS & PS Northern Ireland	-	37,815	(37,815)	-	-
Dulverton Trust	-	30,000	(30,000)	-	-
Fidelity UK Foundation	148,000	-	(77,674)	-	70,326
Home-Start Greater Manchester	2,676	-	(2,676)	-	-
John Lewis Partnership - Healthy Happy Home	121,323	-	(121,323)	-	-
Kristian Gerhard Jebsen Foundation	125,120	-	(125,120)	-	-
Margaret Harrison Travel Scholarship	7,491	-	(7,491)	-	-
Masonic Charitable Foundation	287,346	-	(113,754)	-	173,592
NI development	9,498	-	(9,498)	-	-
Pears Family Charitable Foundation	-	250,000	(250,000)	-	-
Pears Family Charitable Foundation with DCMS	90,000	-	(90,000)	-	-
Rayne Foundation	22,542	-	(22,542)	-	-
R S MacDonald Charitable Trust - digital technology	1,577	-	(1,577)	-	-
Royal Navy & Royal Marines Charity	5,689	10,000	(13,700)	-	1,989
Scottish Government - Loneliness & Isolation Fund	-	200,000	(200,000)	-	-
Scotland fundraising	3,165	-	(3,165)	-	-
Volant Charitable Trust	150,000	-	(150,000)	-	-
White Stuff Foundation	75,222	100,000	(175,222)	-	-
Total restricted funds	1,244,354	887,665	(1,869,862)	-	262,157

25b Movements in restricted funds (2021/22 - prior year)

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Aberdeen Asset Management Charitable Foundation	-	16,250	-	-	16,250
Amazon	-	25,000	(25,000)	-	-
Army Central Fund	-	49,200	(49,200)	-	-
Band Trust	-	100,000	(100,000)	-	-
Big Lottery Fund - consolidation project	9,400	-	(9,400)	-	-
Big Lottery Fund - Greater Manchester project	1,250	192,500	(185,300)	-	8,450
Brook Trust	60,127	150,000	(210,127)	-	-
BT	-	14,118	(4,118)	-	10,000
Charles Gordon Foundation	57,725	60,000	(60,163)	-	57,562
Corra Foundation	-	197,000	(197,000)	-	-
Corra Foundation - The Promise Partnership	-	149,412	(46,969)	-	102,443
DHSS & PS Northern Ireland	-	37,815	(37,815)	-	-
Dulverton Trust	-	39,350	(39,350)	-	-
Early Intervention Fund (EIF)	-	11,278	(11,278)	-	-
Fidelity UK Foundation	-	148,000	-	-	148,000
George & Grace Hart Charitable Trust	-	475	(475)	-	-
Henry Smith	11,811	-	(11,811)	-	-
Home-Start Greater Manchester	5,176	-	(2,500)	-	2,676
John Lewis Partnership - Healthy Happy Home	-	250,000	(128,677)	-	121,323
John Lewis Partnership - Supercharged communities	196,550	120,000	(316,550)	-	-
Kristian Gerhard Jebsen Foundation	21,819	164,000	(60,699)	-	125,120
Margaret Harrison Travel Scholarship	7,491	-	-	-	7,491
Masonic Charitable Foundation	347,214	87,638	(147,506)	-	287,346
NI development	9,498	-	-	-	9,498
Pears Family Charitable Foundation with DCMS	600,000	125,000	(725,000)	-	-
Pears Family Charitable Foundation with DCMS	-	180,000	(90,000)	-	90,000
Pilgrim Trust	-	30,000	(30,000)	-	-
Porticus UK	42,217	-	(42,217)	-	-
Rayne Foundation	31,857	24,600	(33,915)	-	22,542
Rescue Remedy	-	14,500	(14,500)	-	-
R S MacDonald Charitable Trust - digital technology	1,577	-	-	-	1,577
Royal Navy & Royal Marines Charity	30,889	-	(25,200)	-	5,689
Scottish Children's Lottery	24,020	-	(24,020)	-	-
Scottish Government - Loneliness & Isolation Fund	-	150,000	(150,000)	-	-
Scottish Government - Family Focus Groups	-	350	(350)	-	-
Scotland fundraising	-	4,765	(1,600)	-	3,165
STV Children's Appeal	-	152,000	(152,000)	-	-
Sylvia Adams Charitable Trust	14,199	-	(14,199)	-	-
Tedworth Charitable Trust	25,000	-	(25,000)	-	-
Volant Charitable Trust	-	400,000	(250,000)	-	150,000
White Stuff Foundation	-	100,000	(24,778)	-	75,222
Total restricted funds	1,497,820	2,993,251	(3,246,717)	-	1,244,354

25c Movement in total funds (2022/23 - current year)

	At 1 April 2022 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2023 £
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	8,306	-	-	35,238	43,544
Strategic Transformation Fund	510,392	-	(510,392)	-	-
Give a Little Love	357,687	-	(357,687)	-	-
Digital transformation	82,000	52,500	(134,500)	-	-
Recovery and resilience programme	330,000	35,000	(344,000)	-	21,000
Total designated funds	1,288,385	87,500	(1,346,579)	35,238	64,544
General funds					
General funds	1,446,548	2,845,442	(2,746,623)	13,162	1,558,529
Non-charitable subsidiary funds	60,972	21,198	(4,753)	(62,022)	15,395
Pension liability	(43,475)	-	-	13,622	(29,853)
Total general funds	1,464,045	2,866,640	(2,751,376)	(35,238)	1,544,071
Total unrestricted funds	2,752,430	2,954,140	(4,097,955)	-	1,608,615
Total restricted funds	1,244,354	887,665	(1,869,862)	-	262,157
Total funds at 31 March 2023	3,996,784	3,841,805	(5,967,817)	-	1,870,772

25d Movement in total funds (2021/22 - prior year)

	At 1 April 2021 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2022 £
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	20,784	-	-	(12,478)	8,306
Strategic Transformation Fund	585,392	-	-	(75,000)	510,392
Give a Little Love	306,604	210,687	(42,820)	(116,784)	357,687
Digital transformation	-	-	-	82,000	82,000
Recovery and resilience programme	-	-	-	330,000	330,000
Total designated funds	912,780	210,687	(42,820)	207,738	1,288,385
General funds					
General funds	1,510,080	1,672,826	(1,479,646)	(256,712)	1,446,548
Non-charitable subsidiary funds	98,767	74,022	(12,000)	(99,817)	60,972
Pension liability	(192,266)	-	-	148,791	(43,475)
Total general funds	1,416,581	1,746,848	(1,491,646)	(207,738)	1,464,045
Total unrestricted funds	2,329,361	1,957,535	(1,534,466)	-	2,752,430
Total restricted funds	1,497,820	2,993,251	(3,246,717)	-	1,244,354
Total funds at 31 March 2022	3,827,181	4,950,786	(4,781,183)	-	3,996,784

Notes to the financial statements

For the year ended 31 March 2023

Purposes of restricted funds

Aberdeen Asset Management Charitable Foundation	Local level support to families across Scotland focussing on PIMH
Amazon	Emergency grant fund (20/21), Volunteer recruitment (21/22)
Anonymous	Towards the Head of Volunteering post
Army Central Fund	Grants for supporting work with service families
Beatrice Laing Foundation	Supporting our work during the Covid-19 crisis
Band Trust	Towards digital transformation and funding for website
Big Lottery Fund	Consolidation project
Big Lottery Fund	Investing in communities
Big Lottery Fund	Covid-19 emergency response grant
Big Lottery Fund	Greater Manchester Project
Brook Trust	Grants to local Home-Starts facing financial difficulty and Building Back Better Programme
BT	Future service-led project work and to support Home-Start Suffolk to set up a Dad's Matter Programme
CAST	Discovery programme to explore network support
Charles Gordon Foundation	Inside Lives Project (perinatal mental health in Scotland)
Corra Foundation	Scotland Third Sector Early Intervention Fund
Corra Foundation - The Promise Partnership	A Good Childhood - to support necessary shifts to help ensure children and young people grow up loved, safe and respected
David Family Foundation	Volunteer Preparation Course update
Department for Digital, Culture, Media & Sport	Loneliness fund - helping mothers overcome loneliness during Covid-19
DHSS & PS Northern Ireland	Revenue grant towards our work in Northern Ireland
Dulverton Trust	Early years development across Home-Start
Early Intervention Foundation	Towards costs of Senior Adviser of Impact and Practise
Fidelity UK Foundation	Towards business intelligence project enabling more vulnerable families to achieve positive outcomes
Garfield Weston	Delivering the best training to Home-Start volunteers
George & Grace Hart Charitable Trust	Towards our work in Leicestershire
Growth Fund	To support our expansion of Home-Start reach
Harvey Charitable Trust	Towards our work in Scotland
Headley Trust	Emergency appeal to support local schemes
Help Us Keep Families Connected	Emergency Grant Appeal Fund due to coronavirus
Henry Smith Charity	Digital working in the network
Home-Start Bolton	To support the closure of Home-Start Bolton
Home-Start Greater Manchester	Towards work in the Greater Manchester area following scheme closure
John Lewis Partnership - Healthy Happy Home	Volunteer-upskilling Programme
John Lewis Partnership - supercharged communities	Give a Little Love campaign supporting superhubs
Kristian Gerhard Jebesen Foundation	Connecting from the Start
Liz & Terry Bramall Foundation	Volunteer Preparation Course update in 2019-20 and Covid-19 appeal for Yorkshire
Margaret Harrison Travel Scholarship	Travel bursaries for Home-Starters
Masonic Charitable Foundation	Big Hopes Big Future®
Nesta	Connected from the Start to develop a collective family support offer for new parents
Nesta LENA	LENA home Early Years Social Action Fund
NI Development	Funding from the NI carol concerts and Playboard NI
Pat Newman Memorial Trust	Supporting our work in perinatal mental health
Pears Family Charitable Foundation and DCMS	Department for Digital, Culture, Media & Sport Community Match Challenge Grant
Pears Family Charitable Foundation and DCMS	Volunteering Futures Fund - developing volunteer platform to support an increase in volunteer recruitment and retention
Pilgrim Trust	Helping young parents to overcome loneliness and isolation
Porticus UK	Programme of work to support families with multiple and complex needs in 2019-20 and building Home-Starts online volunteer community in 2020-21
R S MacDonald Charitable Trust	Development in Scotland and support of families using digital technology
Rayne Foundation	Mental health work (Inside Lives)
Rescue Remedy	To produce six short videos supporting parents with advice, hints and tips
Royal Navy & Royal Marines Charity	Family support to naval families
Scottish Children's Lottery	Supporting children in Scotland
Scottish Government	Various grants supporting family focus groups, outdoor play, winter support funds during the pandemic and support for loneliness and isolation in Scotland
Scotland fundraising	Donated funds from Kiltwalk for our work in Scotland
SCVO	Digital mentoring elearning project in Scotland
STV	Big Hopes Big Future® project in Scotland
STV Children's Appeal	To support families and children affected by poverty in Scotland
Sylvia Adams Charitable Trust	Perinatal mental health training/staff costs
Tedworth Charitable Trust	Towards Covid-19 related work with local Home-Starts and core services in 2021-22
Vichai Srivaddhanaprabha Foundation Limited	Crisis fund for local Home-Starts in Leicester and Leicestershire
Volant Charitable Trust	Covid-19 emergency response fund and Covid-19 reconnection project
Warburtons	Family matters emergency grant fund
White Stuff Foundation	Perinatal mental health training/staff costs and Empowering Women Project

Purposes of designated funds**Fixed Asset Fund**

The fixed asset fund represents all unrestricted funds invested in fixed assets net of any associated liabilities.

Strategic Delivery Fund

To support the response and recovery from the impact of COVID-19. The balance on this fund has been transferred to the Strategic Transformation Fund.

Strategic Transformation Fund

To support the strategic framework for Home-Start UK and the network of network transformation over the next 3 to 5 years.

Give a Little Love

The Give a Little Love fund represents unrestricted funds from the Christmas Campaign in 2020/21 support to support the network locally. During 2021/22 this fund has been increased through further individual donations via Donr and a Golf Day.

Digital Transformation

Central costs of supporting the BT 3Ds Digital Inclusion Programme being piloted in 2022/23 to provide digital confidence, data connectivity and devices to the network and the families they support.

Recovery and resilience programme

To support the Home-Start network to recover and become more resilient post pandemic through investment at Home-Start UK in growth and fixed-term skilled staff.

Transfers

Transfers between unrestricted funds and designated funds are agreed by the trustees.

26 Reconciliation of income to net cash flow from operating activities

	2023	2022
	£	£
Net (expenditure) / income for the reporting period (as per the statement of financial activities)	(2,126,012)	169,603
Depreciation charges	6,772	8,821
Loss on disposal of fixed assets	8,307	3,657
Interest from investments	(39,201)	(25,229)
Loss / (profit) on the disposal of investments	24,352	(52,305)
Decrease in stocks	-	-
Decrease in debtors	669,628	742,856
Increase / (decrease) in creditors	34,889	(355,659)
Net cash provided by operating activities	(1,421,265)	491,744

27 Analysis of cash and cash equivalents

	At 1 April 2022	Cash flows	At 31 March 2023
	£	£	£
Cash at bank and in hand	1,472,008	(1,024,275)	447,733
Short notice deposits held for investment	1,408,105	(408,105)	1,000,000
Total cash and cash equivalents	2,880,113	(1,432,380)	1,447,733

28 Operating lease commitments

The group and charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2023	2022	Equipment 2023	2022
	£	£	£	£
Less than one year	35,196	27,675	-	450
One to five years	41,062	95,030	-	-
	76,258	122,705	-	450

29 Legal status of the charity

The charity is a company limited by guarantee and has no share capital.

HOME-START UK

England & Wales - Charity number 1108837

Accounts



Home-Start UK

Annual report and group financial statements For the year ended 31st March 2022

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Home-Start UK, a company limited by guarantee, company no. 5382181
Registered charity England and Wales (1108837) and in Scotland (SC039172)



INVESTORS
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Introduction from the Chair

In September 2021, I had the privilege of becoming the Chair of Home-Start UK. In a year dominated again by a global pandemic, I am delighted to be able to celebrate the achievements of Home-Start UK for families and our Home-Start network.

Since my early career working with young children and their families, I have been very clear about the importance of a supportive family environment to give children the best start in life and lay the foundations for their future development. It has been a pleasure to join Home-Start and learn more of the distinctive relational, compassionate support that our Home-Start network provides for thousands of families each year across the UK.

I was delighted this year to launch Together with Families – a Strategic Framework for our Home-Start network that has been developed in consultation with families, volunteers, funders and our local Home-Starts. It sets out an ambitious vision for our next five years to double the number of families and volunteers we work with. We know this will be a challenge, but there are too many parents and children across the UK not getting the support we know can make a difference, and so it feels imperative that as a federation we strive together to meet this ambition. I was particularly pleased that the strategy acknowledges that as a charity and federation we need to drive further action on diversity in order to ensure that we are fully inclusive and accessible to all across our community activity.

This annual report highlights so many successes – including our continued partnerships with John-Lewis Partnership and White Stuff and our new partnership with the BT Group. The funding we have secured this year across the UK from trusts and foundations, statutory partners and corporate relationships, has been used to great effect to support the sustainability of the Home-Start network.

But above all, I am most proud of the strides we have made this year to enable even greater impact for the families we support across our Home-Start work. We developed and have now launched a new Home-Start Agreement and Home-Start handbook underpinning the relationships across our federation of local Home-Starts to achieve great impact for families. We have refreshed so much work on governance, sustainability, volunteer support and quality in our work support local Home-Starts.

As a federation of local charities across the UK, we are particularly concerned at the impact of the cost of living crisis we face. Families, already so fragile after an extended period of pandemic, uncertainty and preceding austerity, are now facing inflation, rising bills and huge pressures. These same pressures will hugely challenge local charities and communities' ability to respond - as the funding landscape gets harder and the time and resources of volunteers and supporters is under pressure. We will remain hopeful that the community spirit and passion so abundant during the pandemic, will be our source of response as we stand alongside families in these difficult times. My thanks and gratitude go to all the volunteers, staff, funders and families that make our work possible.

Lin Hinnigan
Chair of Trustees

Introduction

The board of trustees presents its report and the audited financial statements for the year ended 31 March 2022. Reference and administrative information set out on pages 9-10 forms part of the report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the requirements of a directors' report as laid down by company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Purpose

Home-Start was set up in 1973 with its charitable objects as set out with the Charity Commission, for the relief of children or parents in despair and distress and the prevention of emotional, physical and mental abuse of such children.

Home-Start's collective ambition as a federation is to ensure that more parents can receive relational compassionate support at the earliest moment so that no parent or family feels alone in the critical task of raising their children.

Home-Start believes that children need a happy and secure childhood and that parents play the key role in giving their children a good start in life and helping them achieve their full potential.

Our story

A child's earliest years are irreplaceable. Without a stable, loving and nurturing environment, a very young child will not develop the vital foundations they need.

Home-Start is there for parents when they need us the most, because childhood can't wait.

Our local community network of trained volunteers and expert support helps families with young children through their challenging times.

Why we do it

The earliest years make the biggest impact. Home-Start makes sure those years count so that no child's future is limited.

How we do it

Home-Start offers no judgement, just compassionate, confidential help and support. Starting in the home, our approach is as individual as the people we're helping. Today and every day, in communities up and down the UK, Home-Start volunteers are working alongside families, helping them to change their lives for the better.

From Orkney to Guernsey and Enniskillen to Great Yarmouth, families are benefitting from the support of Home-Start's network of community-based volunteers and expert support. We're tackling some of the big issues facing families today, with more families than ever coming to us because they are struggling with:-

- Mental health and wellbeing
- Loneliness and isolation
- Building supportive, nurturing, loving relationships with their children
- Money worries and financial pressure.

Trustees' annual report

For the year ended 31st March 2022

Our strategy

In April 2021, we began a process of developing a new five-year vision with the Home-Start federation. In May 2022, we launched [*Together with Families*](#), the Home-Start Strategic Framework for 2022-2027. Together With Families helps align our work for families as a network, ensuring Home-Start UK's priorities are shaped by a shared vision; and alongside this offers the autonomy local Home-Starts require to adapt their plans to the strengths, needs and contexts of their communities.

Our conversations with Home-Starts, partners, families and volunteers all confirmed that Home-Start support makes a difference. Our research found nine out of ten parents believing that Home-Start made a positive difference to their family and eight out of ten parents said they felt more comfortable getting support from a volunteer than a professional. So, our collective ambition as a federation is to ensure our relational, compassionate support is available to more families and in more communities at the earliest moments of needing support.

Led by our passionate movement of volunteers, staff and supporters we identified four strategic commitments to bring this vision to life:

1. **GROWTH.** A collective ambition to reach significantly more families so that more parents with young children can access support in a way that works for them.
2. **VOICE.** Home-Start will stand alongside families to make the case for support so that more families avoid crisis as a result of receiving appropriate early support.
3. **INCLUSION.** Home-Start will advance inclusion and equity in all we do so that everyone feels included at Home-Start.
4. **IMPACT.** Local Home-Starts will be stronger together so that a thriving, collaborative UK-wide community of high-quality Home-Start provision is available for families with young children.

By 2027, through a vibrant, resilient, inclusive Home-Start movement we aim to:-

- Work directly with 50,000 families each year through home visiting and group work (currently 26,000).
- Be powered by 20,000 active volunteers underpinning our Home-Start movement across the UK (currently 10,000).
- Achieve greater diversity across Home-Start volunteers, trustees, staff and leadership, and in access to our support from under-represented groups (with work in 2022/23 to establish baselines and set measurable outcomes).
- Work with our network to develop new models of partnership, delivery and services with the potential to radically scale our reach and accessibility for 200,000 families.

We know that it continues to be a tough environment for families. The cost of living crisis is escalating and families are still affected by the long-term impact of the pandemic. This will make it difficult for many local charities to survive. A central part of Home-Start UK's work will be to ensure that every Home-Start is supported and equipped to thrive in their communities so that they can be there for families in the challenging years ahead.

Our previous three-year strategy came to an end in 2019-20. For this report, and the financial statements prepared for 2021-22, we report our activities under our new strategic commitments, and 2020-21 accounts have been re-stated alongside for comparison. We align our work and expenditure against three of our four commitments (Growth, Impact & Voice) weaving our intersecting work on equity and diversity (Inclusion) within each of these.

In 2021-22, we are proud of the following achievements:

GROWTH

- With funding from the Pears Foundation and the Department for Digital, Culture, Media and Sport for a Volunteering Futures Fund, and funding from Amazon for volunteer recruitment, we have developed an e-learning platform for volunteers and a hybrid approach to the Volunteer Course of Preparation so we can do more to support increases in volunteer recruitment and retention.
- In July 2021, BT announced Home-Start as its new UK Charity Partner. Since then this exciting new partnership has seen Home-Start and BT working together on a range of employee fundraising and volunteering initiatives under the banner of 'Play your part for Home-Start'. In 2022, Home-Start UK and BT will also be supporting families worst hit by the cost of living crisis by offering 2,500 households free devices and free connectivity, with an in kind donation of £1.3m to those most in need. This ambitious new aspect of our partnership will help meet the costs of digital data and kit for families currently excluded from digital access, and build digital confidence and skills.
- Our Build Back Better Programme funded by Brook Trust, awarded 25 grants to local Home-Starts so they could commission experienced external associates to help them address challenges around sustainability, governance, growth and strategic planning. In January 2022, we were delighted to welcome Home-Start Jersey as a new local Home-Start. Home-Start Carrickfergus expanded and renamed as Home-Start East Antrim.
- In Scotland, we were invited to work directly with the Scottish Government on the delivery group of the Promise and received funding of an initial £50,000 for a development role to support local activity across the network in Scotland. A further £99,412 was granted towards the end of 2021-22 for *A Good Childhood* extending this work to support necessary shifts that will help children and young people grow up loved, safe and respected.
- With support from the Charles Gordon Foundation, White Stuff Foundation and the Rayne Foundation (Mental Health Work Inside Lives), we have been able to invest in a number of new roles to extend perinatal and mental health support across the network. Meanwhile a successful pilot project 'Connecting from the Start' funded by the Kristian Gerhard Jebsen Foundation provided trained volunteers to support 84 families across six London sites. During the year, we also secured a further grant of £164,000 to extend this training to volunteers nationally as we built our capacity to provide direct support for new parents at risk of developing mental health issues.
- Fidelity UK Foundation awarded a grant of £148,000 during the year towards our business intelligence project, which will assist growth on our digital transformation journey as we build our business intelligence capabilities. We implemented a new cloud based HR & Payroll system. The system will create significant efficiencies when rolled out in April 2022, plus future opportunities to digitise learning and development, objective setting and performance management processes.

IMPACT- Local Home-Starts will be stronger together so that a thriving, collaborative UK-wide community of high-quality Home-Start provision is available for families with young children.

- Pears Foundation built on their previous support with a grant of a further £125,000 to improve the resilience and sustainability of the network. Overall, this allowed us to provide 75 grants to local Home-Starts in England and 24 grants in Wales, Scotland and Northern Ireland to support their pandemic recovery.
- We launched a Recovery and Resilience programme to support the network, investing in fixed term roles to support local Home-Starts and engaging with our network through a series of events with chairs, trustees, staff and volunteers. This work included over 60 webinars on practice development, learning and guidance attended by over 1,100 staff and trustees. We expanded our network team with staff based in all four nations to support quality, governance, financial stability, and local practice. We were proud to secure renewed accreditation of the ISO9001 quality mark.
- Our *Healthy Happy Homes* programme with the John Lewis Partnership gave Home-Start volunteers access to new online resources to help them support parents in laying the foundations for a healthy, happy family life. The new on-line training is based on insights from volunteers across the country around three key areas that families often struggle with – sleep, healthy eating and finance. The Healthy Happy Home programme will provide a real boost to family wellbeing and help parents with the everyday challenges that all families face.
- We also worked with the John Lewis Partnership and our network to increase support for families through the *Super Charged Communities* programme that built grass-roots activities and sustainable projects in 10 local communities across 29 local Home-Starts. Overall, 1,100 children and 750 families have so far benefitted from these activities, and we have recruited 100 new local volunteers. The most popular activities have been pram walk and talks, family yoga sessions and employability sessions. Practical support has include donations of bedding, clothing, toys, books and games to families.
- 28 local Home-Starts participated in our *Big Hopes Big Future* school readiness programme, which is funded by the Masonic Charitable Foundation. Big Hopes Big Future trains Home-Start's volunteers to use original, specially produced materials for working directly with the young children in the families they are supporting. They help develop reading, writing, numeracy, and understanding of the routines of the school day.
- Dulverton Trust supported Home-Start UK's early years projects and services, strengthening how early years needs are integrated across our programmes and platforms and ensuring a coordinated approach throughout Home-Start UK.
- The Army Central Fund awarded a small grants scheme for local Home-Starts working with armed forces families which was distributed to 11 local Home-Starts who received grants ranging from £500 to £10,000.

INCLUSION- Advancing inclusion and equity in all we do. Making sure everyone feels welcome and included at Home-Start

- In 2021, we commissioned the social enterprise consultancy ChangeOut to support Home-Start UK's work on equality, diversity and inclusion. ChangeOut conducted desk research, held 14 key stakeholder interviews and two focus groups (one of network volunteers and one of staff/trustees). Their recommendations have led to commitments including:
 - Placing equality, diversity and inclusion at the heart of our strategic framework.
 - Develop an Action Plan focused on building a stronger profile and voice to challenge inequality, using data to build understanding and action, becoming a more inclusive employer and improving accessibility through our recruitment processes, enhancing the representativeness of our Boards and instilling greater cultural confidence within Home-Start UK and the wider network.
- In March 2022, we secured re-accreditation Investors in People. This externally recognised quality marks helps demonstrate our commitment to being an inclusive and supportive employer.
- Our Home-Start intranet, @Home, won 'Best Stakeholder' in the global Interact Excellence Awards 2021. This award was in recognition of our work to drive inclusive and accessible engagement across our federation through our intranet, including weekly video updates from our CEO to keep our network connected on news from Home-Start UK and the senior leadership team.
- Volant Charitable Trust generously supported 19 Home-Starts with their work to help families facing loneliness and isolation. A further £150,000, awarded toward the end of 2021-22, will be used to further support this local work. We were also able to invest in local work to combat loneliness and isolation with a Scottish Government grant of £150,000 that we distributed across 27 local Home-Starts in Scotland. A grant of £30,000 from The Pilgrim Trust to 18 local Home-Starts in England also helped young parents to overcome loneliness and isolation.
- We secured a £150,000 grant from the STV Children's Appeal to target our support to families and children affected by poverty in Scotland and worked with Russell & Bromley to distribute over 40,000 pairs of shoes (with a value of over £1.4m) to low income families through our network of local Home-Starts. In April 2022, this won a *Third Sector Business Charity Award*.
- The COVID-19 pandemic was a crisis like no other for families and we sought to illustrate the unequal impact on families. Families with particular pressures such as poor mental health, illness and low wages were hit hardest by the crisis. Home-Starts across the country moved fast to provide support for these and other families affected. During the pandemic 94% of Home-Starts delivered telephone support to parents, 68% delivered groceries to families and 60% worked in partnership with Local Authority Children's Services to support families at risk. Our Covid Year report looked back at this work and marked the impact our staff volunteers had made in a year when families needed us more than never.

VOICE - Standing alongside families to make the case for support so that more families avoid crisis as a result of receiving appropriate early support.

- We published Home is Where we Start From report in June 2021. 1,200 families supported by Home-Start illustrated the devastating impact of lockdown and feelings of isolation, anxiety about child development and concern about finances.
- Home-Start UK worked with the Parent-Infant Foundation and Best Beginnings, to produce “No one wants to see my baby” in November 2021. It evidenced how parents were still struggling to access essential services through pregnancy and beyond, with problems accessing face-to-face medical care, reduced access to health visitors and a lack of community groups. The story was covered by 1,700 key national, regional and local media titles reaching an audience of 1.4m. MPs cited the report during a House of Commons debate on Giving Children the Best Start in Life.
- Popular prime-time ITV show, The Masked Singer, chose Home-Start UK as one of its three charity partners. We launched our #BehindTheMask social media campaign on Boxing Day 2021 to break down the myths of a picture-perfect family life. The campaign saw 50,000 shares and likes, coverage in 7 national and 32 local media outlets and over 1,000 new followers and was shortlisted in the Third Sector Business Charity Awards.
- We released a set of short ‘Tips for parents’ films. The six films gave insights into everyday issues, providing simple tips on common challenges such as coping with your baby crying, and ways to bond with your unborn baby. Funded by Rescue Remedy and designed to be easily shareable, the films have received great feedback from local Home-Starts, who have shared them extensively.
- We supported various policy and campaigns during the year, including:-
 - The #SummerOfPlay campaign led by Save the Children UK to give children the space, time and freedom to play this summer as the Covid-19 restrictions eased.
 - A letter to Matt Hancock, then Secretary of State for Health, to put children at the heart of the Health and Care Bill.
 - A joint letter across Home-Starts in Northern Ireland to the Minister for Health asking for infant mental health to be prioritised in the NI Mental Health Strategy.
 - Welcoming the first 10 Maternal Mental Health hubs across England.
 - The #KeepTheLifeline campaign coordinated by Save the Children to end the cut to the £20 uplift in Universal Credit.
- In June 2021, over 300 staff and volunteers joined a thank you event in Volunteers Week to celebrate our volunteers and their impact for families. Other Volunteers’ Week activity included twitter parties, a volunteer voices day and virtual meet-ups.
- Home-Start’s family and volunteer voices contributed to the Independent Review of Children’s Social Care, aimed to improve life for children and families. We chaired a group on the “Early Years Recovery” that sets out the sector’s collective concerns about the impact of Covid-19 on children under 5 and their families.
- For 12 days in December, the BT Tower was lit up with messages of thanks to Home-Start volunteers who helped families during the pandemic. In a Big Christmas Give campaign, BT staff from the digital network collected 25,000 gifts for families, which they distributed to over 60 local

Home-Starts. The campaign was shortlisted in the Employee Engagement category of the Third Sector Business Awards.

Our plans for the future

Our business plan for the first year of our new Strategic Framework will mainly comprise of delivering our existing/funded projects alongside putting the building blocks in place to move forward with our new strategy from 2023 onwards. In 2022-23 this will include:-

Growth:

- Supporting our network to recruit and train more volunteers.
- Build our funding and strategic partnerships.
- Designing and testing of new models to extend our services and reach more families.

Voice:

- Building our brand and supporter engagement work as we approach our 50th anniversary year.
- Influencing policy across the four nations and making the case for investment in compassionate support for families.

Impact

- Supporting Home-Starts to evidence quality, improve practice and governance and be financially sustainable.
- Strengthening our approach to the safeguarding and protection of vulnerable groups.
- Developing our impact reporting and use of data.
- Building network relationships and encouraging collective commitment to our shared ambitions.

Inclusion

- Progressing on Home-Start UK's journey towards being more inclusive, antiracist and diverse.
- Use our voice to address inequalities for families.
- Support the network to build diverse and inclusive practice.

Trustees' annual report

For the year ended 31st March 2022

Reference and administrative information

Company number England and Wales: 5382181

Charity number England and Wales: 1108837, Scotland: SC039172

Registered office and operational address Arnhem House, Waterloo Way, Leicester, LE1 6LP

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Bushra Ahmed	Appointed 8 th December 2021
Ray Ayivor	Appointed 8 th December 2021
Deborah Bennett	* Retired 22 nd June 2021
Sheena Bolland	
Sophie Castell	Appointed 8 th December 2021
Felicity Clarkson CBE	Chair (Retired 14 th September 2021)
Anna Corry	
Joanna Dennis FCCA	Treasurer (* Retired 28 th September 2022)
Naomi Dickson	Appointed 8 th December 2021
Barbara Firth	
Karen Graham	
Elizabeth Hill-Smith	* Retired 28 th September 2022
Lin Hinnigan	Chair (Appointed 14 th September 2021)
Anne Shevas	* Retired 8 th December 2021
Pearly Siffel	Appointed 8 th December 2021
Philip Sugarman	Vice Chair (*Retired 7 th December 2022)
Matthew Wigginton	Resigned 22 nd June 2021

*Trustees recorded as retired in year when reaching their maximum length of service.

Key Management Personnel	Peter Grigg	Chief Executive
	Vivien Waterfield	Deputy Chief Executive
	Beckie Lang	Director of Network Impact (Appointed 1 March 2021)

Trustees' annual report

For the year ended 31st March 2022

Bankers National Westminster Bank plc
1 Granby Street
Leicester
LE1 6EJ

Solicitors Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

Auditor Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
London
EC1Y 0TL

Patron
HRH Princess Alexandra, The Hon Lady Ogilvy, KG, GCVO

Founder
Margaret Harrison CBE (1938-2015)

Honorary President
James Sainsbury OBE

Vice President
Alastair Stewart OBE

Activities

Home-Start's beneficiaries are families struggling to cope with the stresses and strains of bringing up children in the face of mental and physical illness, poverty, homelessness, disability and other pressures. Home-Start UK seeks to support these families by providing support to a network of 184 independently run local Home-Starts. As a national federated charity, Home-Start UK provides a range of support for our local Home-Starts. We work closely with the network to support the growth and sustainability of the Home-Start service. We provide information and guidance to enhance the quality of our services and research to improve and influence the development of services for families. We support the smooth running of local Home-Starts, set and measure quality standards and provide training to make sure all our families get the same high standard of service. We also use our website and national presence to connect families and referrers to their local Home-Starts.

Public benefit

The board of trustees confirms it has complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

Organisational structure

Home-Start UK is a charity constituted as a company limited by guarantee in England and Wales, governed by a board of trustees. The Home-Start network consists of Home-Start UK together with 182 local Home-Starts, affiliated to Home-Start UK through a legal agreement. Local Home-Starts are separate charities in their own right and are responsible for their own financial affairs and statements. The total income of local Home-Starts is £34.4 million, which together with Home-Start UK's group income of £4.9 million gives the total Home-Start network income of £39.3 million.

Home-Start UK owns 100% of the issued equity share capital of Home-Start Consultancy Limited, a company incorporated in England. The subsidiary undertaking commenced trading during 2020-21.

Governance and management

Our Board of Trustees, who are also Directors of the Charity for the purposes of the Companies Act, have overall responsibility for setting the strategy of the Charity. Our Chief Executive, working with the Senior Leadership Team is responsible for delivering the Board's vision and strategy and for its day-to-day operations.

When seeking to fill vacancies on the board, the trustees identify the particular skills and expertise needed to cover the work of the board and prioritise these during the recruitment process. In an attempt to increase the diversity of the board's membership we advertise widely for new trustees, and ensure, throughout the recruitment process, that all applicants from a wide variety of backgrounds have an opportunity to succeed.

A panel of trustees interview all prospective trustees to determine that they have the required skills to contribute to the charity's management and development. New appointments are ratified by the full Board of Trustees. Trustees serve for an initial term of three years, and subject to review and the approval of the board, may serve a second period of three years. When trustees are appointed, they are given a formal introduction to the work of the charity and the information they need to fulfil their roles as charity trustees and company directors. The trustee board meet quarterly plus two additional meetings to focus on Board development and strategy.

A Finance Sub Committee, with members with specific knowledge and experience in finance and fundraising, meet four times per year and report to the board.

An Impact Sub Committee meets between two and four times per year to oversee issues of quality, impact and network development and support the strategic governance of the impact of work across the Home-Start federation.

The charity provides third party indemnity insurance provision on behalf of the board of trustees.

Related parties and Home-Start Worldwide

Home-Start UK provides model operating policies, guidance and procedures for our network of 182 local Home-Starts.

Home-Start Worldwide sustains the development of Home-Starts across the world. In 2021-22 there were Home-Starts operating in 22 countries and five continents.

Home-Start UK owns 100% of the issued equity share capital of Home-Start Consultancy Limited, a company incorporated in England. Related party transactions during the year are shown in Notes 12 in the group financial statements. Home-Start Consultancy Limited undertakes commercial activities on behalf of the parent company Home-Start UK.

Financial review

Financial position

The Consolidated Statement of Financial Activities shows net income for the year of £170K including a net gain on investments of £52K. Net incoming resources in unrestricted funds amounted to £423K and net outgoing resources in restricted funds amounted to £253K.

The underlying approach in setting our 2021-22 budgets was to build on growth opportunities provided by a unique financial year in 2020-21. The result of such a strong year in 2020-21 enabled us to increase the depth and capacity of our staff team and grow the strength of our brand recognition whilst acting prudently in relation to the underlying committed cost-base of the organisation.

The budget for 2021-22 based on an income target of £5.4m and an expenditure budget of £5.6m. The income target was stretching given the change in funding arrangements post pandemic. Results for 2021-22 show an income level of £4.9m (against the £5.4m budget) and operating expenditure of £4.9m (against the budget of £5.6m). Whilst levy income was up on the previous year, investment income and voluntary income were lower but the funding environment was very challenging. Consequently, project expenditure was lower. This resulted in a close to breakeven outcome that delivers designated funds to support the roll out of our new strategy during 2022-23.

After two years of rapid growth at Home-Start UK, the budget for 2022-23 is broadly flat with the outcome for 2021-22. Given the cost of living crisis, the wider impacts of the Ukraine war and the aftermath of the pandemic this represents a challenging income target of £5.3m. Our continued good performance and our pipeline leads us to believe this is achievable. Our total expenditure forecast for 2022-23 is set at £5.5m, utilising designated funds to support investment in growth and transformation during the year. An annual review of a three-year rolling budget gives us the opportunity to rebalance investments to respond to any improvements or deterioration in our income and expenditure forecasts.

Trustees' annual report

For the year ended 31st March 2022

From a finance and resources perspective, over the three-year period 2022-23 to 2024-25, we aim to achieve

- Greater medium term (3 to 5 years) confidence in our finances.
- A more diverse income portfolio with less dependency on trusts and foundations and corporate partnerships.
- Embedded long-term relationships with core strategic funding partners.
- A modern, agile, high-performing charity with investment in the core infrastructure required to achieve this.

The Group Balance Sheet as at 31 March 2022 shows an increase in net assets to £3,997K (2020-21: £3,827K), of which £1,244K (2020-21: £1,498K) represents restricted funds that must be expended on work specified by the donor. The balance of unrestricted funds of £2,752K (2020-21: £2,329K) is reported net of the liability on the pensions reserve at £43K (2020-21: £192K). The level of the pensions reserve is the net present value of agreed deficit recovery payments until 2025 as required under FRS 102.

Total income in 2021-22

Total income for the group for the year was £4,946K, a decrease on the previous financial year (2020-21: £7,004K) but in 2020-21 we received specific pandemic related funding.

In 2021-22, income of £3,716K (2020-21: £5,008K) directly relates to charitable activities across our network. As detailed in Note 3 in the accounts, income from charitable activities comes from a mixture of government grants, a membership levy charged to local Home-Starts and support from trusts, foundations and corporate partners. 2020-21 was an unprecedented year, support from existing and new supporters have ensured that our local Home-Starts were supported to be there for families during the pandemic. During 2021-22 this support has continued with a focus more towards building back post pandemic and building a sustainable and resilient network.

We received 5% of our total income for the year, £235K, from government funding in England, Scotland and Northern Ireland for our core work in each country. This compares to £244K (3%) of the total income for the year in 2020-21. In addition, we have received a further £300K from government funding in England and Scotland to support our work during and post pandemic supporting our families in a variety of ways (2020-21: £1,060K).

As part of the Agreement between local Home-Starts and Home-Start UK, all local Home-Starts pay a membership levy to Home-Start UK. In return, they are entitled to use our intellectual property and in particular the name Home-Start. Home-Start UK offers support and services to local Home-Starts including provision of resources, information and guidance on family support, safeguarding children, volunteer recruitment, quality assurance, training and management. The nature and range of services varies to meet the needs of the network. In 2021-22, £696K in contributions (2020-21: £593K), was received from local Home-Starts providing 14% (2020-21: 8%) of Home-Start UK's total income, a huge achievement for local Home-Start following the pandemic. The levy is 2% of 90% of a local Home-Start's income from their previous financial year. During 2021-22, the levy was capped at £10,000 for individual local Home-Starts (2020-21: £10,000).

Income from donations in the year totalled £1,125K representing 23% of our total income, a similar percentage to the previous year (2020-21: £1,850K – 26%). Donations come from corporate partners, charity challenges, individual givers and charitable trusts for our work across the UK. The incredible increase in donations, trusts and foundations and corporate partners in 2020-21 was due to the generosity of individual supporters through our Covid appeal during the first lockdown of the pandemic. This

generosity has continued into 2021-22 with support during further lockdowns and then to support local Home-Starts to rebuild post pandemic.

Total expenditure in 2021-22

Total operating expenditure was £4,922K (2020-21: £5,218K). 93% of this expenditure (2020-21: 94%) was applied directly to Home-Start UK's charitable activities. Expenditure is reported under our new strategic work streams and 2020-21 figures have been re-stated. A noticeable decrease in spend under 'Standing alongside families' was due to the decrease on the previous year in onward grant funding to local Home-Starts post the additional pandemic funding in 2020-21. In 2021-22, grants to local Home-Start totalled £1,735K (2020-21: £2,949K). The majority of the onward grants in 2020-21 was for crisis pandemic funding. Funding continued into 2021-22 but not at the same high level and funders re-focussed their support towards helping local Home-Starts build back from the pandemic. Note 7 of the accounts outlines the grants made during the year.

One core activity of Home-Start UK is to create and broker funding opportunities for the wider Home-Start network. In this way, local Home-Starts are able to access funding only available nationally allowing local Home-Starts to support more families and develop their services. We target national funding applications to prioritise areas of work that will drive forward delivery of the strategic plan. Our own grant giving enables Home-Start UK to support local Home-Starts in delivering key services and helping them develop as sustainable organisations, thereby supporting our national strategic aims. Grants to local Home-Starts are secured from a range of other grant making organisations and are subject to a due diligence process. They are only committed once a bespoke grant agreement has been signed by the local board of trustees.

Aside from our grant making during the year, our staff and other costs totalled £3,187K (2020-21: £2,270K). Investment in early 2021 in staffing levels, and a resumption of face-to-face contact, drove the increase.

The cost of raising funds in the year represented the remaining 7% (2020-21: 6%) of operating expenditure, a slight increase in the year as a result of continuing relationships with corporate partnerships including BT, The John Lewis Partnership and the White Stuff Foundation.

In addition to operating expenditure, we recognised a decrease of £93K (2020-21: increase £15K) in the Pensions Trust Growth Plan liability in the year. The significant reduction is a result of an updated actuarial valuation carried out in September 2020 (last one was September 2017). It was noted in the financial statements to 31st March 2021 as a post balance sheet event.

Total resources expended therefore amounted to £4,829K (2020-21: £5,233K).

Land and buildings

Our main office space is a leased premises at The Crescent in Leicester. Our current lease on this office space expires in August 2022, following a one year extension from August 2021. A smaller office space and meeting room, also at The Crescent, expired in February 2022, with our storage/distribution space expiring in August 2021.

We intend to continue with a mix of office and remote working and we have secured a city centre rental at Arnhem House in Leicester from August 2022. Budgets proposed for 2022-23 include capital works to complete the design, planning and IT renewal costs.

Investment policy

The Memorandum and Articles of Association give the Trustees unrestricted powers of investment. The charity's current investment strategy is to deposit the majority of funds in short and medium term interest bearing accounts with UK banks and building societies. The Trustees consider the rate of interest received on deposit funds satisfactory in the current economic climate. During the year, the number of accounts has remained the same as the previous financial year with deposits spread across a number of separate accounts, to reduce the risk not covered by the FSCS scheme.

We hold reserves principally as cash. Trustees have determined that an estimated £850K is required to meet legal obligations and will be invested in long term liquid funds. Following a tendering process in early 2018, we selected CCLA's COIF Charities Investment Fund and have placed investments on a staged basis since the summer of 2018. CCLA were chosen as a charity specialist investment manager with strong governance and a clear approach to responsible and ethical investments designed to reflect the nature of the charities they serve. During 2021-22, no further funding was added to the Fund. Realised gains of £98K and unrealised losses of £45K during the year resulted in a net gain of £53K as at 31st March 2022. The balance in this Fund is £671K as at 31st March 2022 (2020-21: £618K). As this investment is intended to be held in excess of one year, the investment fund has been classed as a Fixed Asset Investment on the Balance Sheet.

During 2021-22, the trustee board agreed that Home-Start UK required external expertise to support a clear investment strategy before any further decisions around selection of any new investment products be selected. Portfolio Review Consultancy Limited have been appointed to conduct a review and recommendations on identifying and assessing options that balance risk and return and support in-house development of a new investment strategy considering ethical investment, inflation protection, restricted funds and long term liabilities such as pensions.

Our funders

Home-Start UK enjoys support from a wide range of funders. We take great care to ensure they receive the maximum value for every penny they give. We would like to thank all the organisations, corporate partners and individuals who have funded Home-Start UK during 2021-22 and we look forward to working with them in future years. We are grateful for their ongoing support, generosity and passion for Home-Start and the families we support together.

These include:

Aberdeen Asset Management
Albie & Sebastian
Amazon
Army Central Fund
Band Trust
Bergman Lehane Trust
Brook Trust
BT
Charles Gordon Foundation
Charles Russell Speechlys Foundation
Corra Foundation (Scotland)
DHSS Family Policy Unit (NI)
Don't buy me flowers
Dulverton Trust

Trustees' annual report

For the year ended 31st March 2022

Elizabeth Frankland Moore & Star Foundation
Fidelity UK Foundation
George and Grace Hart Trust Fund
Headley Trust
Institute of our Lady of Mercy
Jazz Pharmaceutical
Jeanne Marie Gunn Trust
John Armitage Charitable Trust
John Lewis Partnership
Kristian Gerhard Jebsen Foundation
Masonic Charitable Foundation
National Lottery Community Fund
Noswad
Ofenheim Charitable Trust
Paragon Trust
Pears Family Charitable Foundation with DCMS
Pilgrim Trust
Rayne Foundation
Rescue Remedy
Scottish Government
Softwire
STV Children's Appeal
Volant Charitable Trust
White Stuff Foundation
XTX Markets

Risk management and internal control

Home-Start UK operates a risk register reflecting its strategic plan and key operational risks. The strategic plan contains specific actions designed to mitigate all of the risks identified in the risk register.

Since Home-Start works with vulnerable children and families, we consider safeguarding and child protection the greatest area of inherent risk with our work. Home-Start UK has developed a comprehensive framework of consents, controls, policies and reviews to ensure local Home-Starts fulfil their safeguarding/child protection responsibilities and deal with any concerns rapidly and sensitively. Home-Start UK asks local Home-Starts to report data breaches and safeguarding reputational threats against set criteria. Our Impact Sub Committee was created as a governance layer to support the protection and safeguarding of vulnerable groups. They report quarterly to the trustee board on safeguarding issues, emerging themes, staff training and reportable incidents. Staff across the network team have received DSO training, as the direct contact for safeguarding concerns and reportable incidents and we are working with the NSPCC to update our four nations safeguarding policies for children and vulnerable adults.

As is true for most organisations COVID-19 has profoundly affected our ways of working but both Home-Start UK and the network have adapted extremely well both during, and post pandemic. Services moved online and processes re-shaped alongside a return to home-visiting and group work. In this context, the key change to risks for the organisation relates to increasing uncertainties around future income. At Home-Start UK this is somewhat mitigated through strong relationships with funders and growing awareness nationally of the needs of isolated families. Network income is more difficult to predict with significant variations occurring locally. During 2020-21, Home-Start UK successfully brokered over £2m for local

Trustees' annual report

For the year ended 31st March 2022

Home-Starts in grant funding with further support with a package of webinars on bid writing and the funding of fundraising associates to support local Home-Starts with their funding. In 2021-22, a further £400k was awarded for crisis funding, alongside £700k of grants to support the recovery and financial resilience of our local Home-Starts.

Maintaining an effective oversight and management of risk is a central responsibility of the Board of Trustees but to support the Board, each of our formal sub committees takes a direct role in leading on the ongoing review of a group of identified risks. This is complemented by an annual review of the risk by the Board and the ability to dive into any risk at any stages as deemed relevant by trustees and the senior leadership team as well as to test the effectiveness of our approach to risk management.

Risk oversight is delegated as follows:-

Senior Leadership team

- We are sufficiently agile as an organisation and a federation to respond to turbulence in our environment and to recover from the pandemic.
- We are unable to maintain positive, effective relationships with the Home-Start network to enable us to deliver for families.
- Inability to respond to the sector challenges around diversity and inclusion leaves Home-Start vulnerable to reputational criticism.
- Our staff are unable to deliver our ambitions because of capacity, lack of skills, poor wellbeing, or burnout/disengagement.

Finance Sub Committee

- Inability to balance Home-Start UK's core income and expenditure, cash flow and reserves.
- Inability to secure future income in line with plans with funders, supporters and partners.
- Failure to comply with regulatory and legal requirements around financial controls, governance and data results in a loss of reputation or penalty.
- Systems failure, cyber-attack or fraud present significant compromise to Home-Start UK's ability to operating including in a remote environment.

Impact Sub Committee

- We are unable to measure and communicate our impact for families in order to position ourselves effectively with funders and decision-makers.
- A safeguarding or child protection issue, or failure of Home-Start UK, results in harm and loss of trust and reputation among key stakeholders.
- Concerns around governance, compliance, financial controls, practice or lack of volunteers in local Home-Starts lead to operational failure in the Home-Start network.
- Lack of financial sustainability or income diversification across the Home-Start network reduces our federations' longer term ability to serve families.

Remuneration policy

The Finance Committee, on behalf of the trustee board, consider and set staff pay. A non-contractual health care provision is in place for all staff all staff as an additional benefit.

We review staff job descriptions annually as part of an annual appraisal process and the senior leadership team consider any proposals for amendments to roles and remuneration.

Trustees' annual report

For the year ended 31st March 2022

The Board sets the chief executive pay level taking into account pay levels in other similar sized charities. The Board also considers any proposed changes to roles and remuneration for executive staff on the senior leadership team. Trustees are entitled to claim expenses but do not receive any remuneration for their time. Trustee expenses are shown in Note 10 of the group financial statements.

Reserves policy and going concern

During the year the trustees have reviewed the level of reserves they believe are required to fund the work of Home-Start UK.

Free reserves are held to finance working capital requirements and are defined as unrestricted funds excluding fixed assets and designated funds. The target for free reserves has been set at £1,750K, which equates to 3.8 months of budgeted revenue expenditure. This is based on a calculated consideration of the working capital requirements necessary for different aspects of the organisation's expenditure (principally salaries, overheads and project expenditure where payment is often received in arrears). It also includes the lease commitments related to the head office in Leicester, which run until 2025. Free reserves are monitored regularly through the monthly management accounts process.

At 31 March 2022, free reserves were £1,464K (2021: £1,417K). This equates to 3.2 months revenue expenditure (2021: 3.2 months). The trustees will continue to monitor reserves levels closely during the coming year.

At the end of 2021-22, five designated funds are in place in order to resource long-term expenditure requirements in identified areas:

- **Fixed Assets Fund** – The fixed asset fund represents all unrestricted funds invested in fixed assets net of any associated liabilities.
- **Strategic Transformation Fund** – This new fund replaced the previous Strategic Delivery Fund and will support progress against a multi-year transformation programme for the Home-Start network. In the context of recovery from Covid-19 this new designated fund will ensure that our strategic progress is not undermined by short-term fluctuations in income levels.
- **Recovery & Resilience Programme** – This new fund will support Home-Start UK to centrally support the Home-Start network to recover and become more resilient post pandemic through continued investment in growth and skilled staff at Home-Start UK. It will ensure that essential activity begun in 2021/22 completes during the coming year.
- **Give a Little Love Fund** – This fund represents unrestricted funds raised through the Give a Little Love campaign with the John Lewis Partnership, which will be used to support the network locally.
- **Digital Transformation** – This new fund has been created to support investment in our shared work with BT, initially focused around digital inclusion.

Subsequent to the review of reserves and to strategic planning work undertaken during the year, the trustees are satisfied that sufficient reserves are held to allow the charity to continue operating as a going concern. The trustee board considered and concluded there were no material uncertainties for Home-Start UK to continue operating for at least 12 months from the approval of this Annual Report following consideration of budgets, forecasts, cash flow projections, reserves and financing.

Fundraising regulator

Home-Start UK fully supports the self-regulation of fundraising and is committed to providing its supporters with the best possible levels of service.

Home-Start UK is a member of the Institute of Fundraising and registered with the Fundraising Regulator. We work within the guidelines and standards as set out by the Charity Commission and the Fundraising Regulator to ensure the protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Home-Start UK maintains a formal complaints procedure. During the year 2021-22, we received no complaints about fundraising carried out either by Home-Start UK or any third party on our behalf. Where we have been notified of a donation that was intended for a local Home-Start having been sent to Home-Start UK in error we have forwarded the amount in question to the relevant local Home-Start in line with the donor's wishes.

Our directly employed fundraising team undertakes the majority of our fundraising work. However, because of the specialist nature of some of the work, we do from time to time work with external agencies for creative, digital and marketing support to help us communicate effectively with donors and potential donors. We require these contractors, as a minimum, to operate within the remit of the fundraising regulator TPS framework, the GDPR framework and our own fundraising guidelines and monitor each contract on an ongoing basis to make sure operators comply with these requirements. During 2021-22, there were no reported incidents in which a contractor did not operate to the required standard.

Protecting our data

We take the protection of our clients' data extremely seriously. We are particularly alert to potential cyber-attacks and other external threats and to the changing regulatory environment signalled by the introduction of the General Data Protection Regulation (GDPR). We implemented plans to support the introduction of the GDPR in May 2018 and Really Good Data Protection (RGDP) are our external Data Protection Officer.

Equality and diversity policy

Home-Start UK's goal is to be truly inclusive, benefit from diversity and appreciate everyone for their contribution and welcome and value difference. We treat everyone with respect and offer equal chances to participate.

Home-Start UK has high standards and we will investigate and take action on any reports of practice, which trustees, staff, volunteers or families believe to be unfair or discriminatory. Performance is checked through Home-Start Quality Assurance assessments and reviews.

We do regular surveys to measure our progress and use the results from these to inform future planning and targets. We fully comply with our obligations under the Equality Act 2010.

In 2021 we commissioned ChangeOut to support Home-Start UK's work on Equality, Diversity and Inclusion in late 2020, with the intention of feeding into the new strategy development process in 2021-22. This work was prompted by a renewed societal focus on racial justice, which requires every charity to consider its mission, values and operational delivery; and a desire to inform progress on diversity and inclusion for Home-Start UK and the wider federation as we entered into a shared strategic framework. ChangeOut conducted desk research, held 14 key stakeholder interviews and ran two focus groups with 26 people (one

Trustees' annual report

For the year ended 31st March 2022

group of network volunteers and one group of staff/trustees). Their recommendations highlighted the need to address certain areas:-

- Placing equality, diversity and inclusion at the heart of our strategic framework
- Developing an Action Plan focused on building a stronger profile and voice to challenge inequality, use data to build understanding and action, become a more inclusive employer, enhance the representativeness of our Boards and instil greater cultural confidence of Home-Start UK and the wider network.
- Resourcing this strategic area with greater intent.

Employee information

Home-Start UK is committed to ensuring good communications and consultation with staff on matters of interest to them. We encourage informal consultation via a monthly coffee morning with the chief executive, and we consult staff formally on all matters that affect their interests. Following the pandemic, all staff have been working remotely to ensure their safety and are home-based until the end of 2022. Before our office space at The Crescent in Leicester re-opened to encourage face-to-face contact and meetings where staff feel able to do so, a workplace assessment survey established staff views around hybrid-working post-pandemic. Via Microsoft Teams, staff are encouraged to talk to colleagues, attend a monthly all-staff meeting and regular support is offered through managers with the top priority being welfare. A survey undertaken during the year of staff satisfaction and experiences during the pandemic by an external company, means we can compare our results with other charities as a benchmark. As a result, we have implemented a team development programme.

Personal development and staff wellbeing is part of our appraisal process and during the year a Home-Start Wellbeing Plan has been in place to encourage staff to set aside some time and pause for thought about their own mental health.

In May 2022, we brought all of the Home-Start UK staff team together for three days in Nottinghamshire for an all-staff event combining a mixture of formal and informal time together. Post pandemic, this was the first face-to-face meeting for all staff. Staff were given the opportunity to discuss the new five-year strategic framework, hear volunteer and family stories and update their knowledge on safeguarding.

Statement of responsibilities of the trustees

The trustees (who are also directors of Home-Start UK for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the 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 Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements

Trustees' annual report

For the year ended 31st March 2022

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2022 was 13 (2020-21: 11). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report was approved by the trustees on 28 September 2022 and signed on their behalf by the chair.

Lin Hinnigan
Chair of Trustee

Independent Auditors' Report

To the members of

Home-Start UK

Opinion

We have audited the financial statements of Home-Start UK (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2022 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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) Regulation 2006 (as amended)

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 Home-Start UK's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Independent Auditors' Report

To the members of

Home-Start UK

Other Information

The other information comprises the information included in the trustees' annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Independent Auditors' Report

To the members of

Home-Start UK

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the finance committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;

Independent Auditors' Report

To the members of

Home-Start UK

- The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the

Independent Auditors' Report

To the members of

Home-Start UK

charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

14 December 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2022

	Note	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Income from:							
Donations	2	1,019,912	105,240	1,125,152	1,533,818	316,322	1,850,140
Charitable activities							
Standing Alongside Families	3	278,472	860,130	1,138,602	237,259	2,349,931	2,587,190
Standing Together	3	345,352	1,527,474	1,872,826	241,618	1,767,414	2,009,032
Growing our Movement	3	204,235	500,407	704,642	118,630	293,020	411,650
Other trading activities	4	79,946	-	79,946	117,377	4,750	122,127
Investments	5	25,229	-	25,229	23,409	-	23,409
Total income		1,953,146	2,993,251	4,946,397	2,272,111	4,731,437	7,003,548
Expenditure on:							
Raising funds	6	261,183	72,396	333,579	200,743	90,658	291,401
Charitable activities							
Standing Alongside Families	6	629,272	1,392,584	2,021,856	829,044	2,237,352	3,066,396
Standing Together	6	532,364	1,314,854	1,847,218	184,917	1,255,499	1,440,416
Growing our Movement	6	252,351	466,883	719,234	75,029	344,941	419,970
Subtotal of operating expenditure		1,675,170	3,246,717	4,921,887	1,289,733	3,928,450	5,218,183
(Decrease)/increase in pension liability	23	(92,788)	-	(92,788)	14,858	-	14,858
Total expenditure		1,582,382	3,246,717	4,829,099	1,304,591	3,928,450	5,233,041
Net income/(expenditure) before investment gains		370,764	(253,466)	117,298	967,520	802,987	1,770,507
Net gains on investments		52,305	-	52,305	71,355	-	71,355
Net movement in funds	9	423,069	(253,466)	169,603	1,038,875	802,987	1,841,862
Reconciliation of funds:							
Total funds brought forward		2,329,361	1,497,820	3,827,181	1,290,486	694,833	1,985,319
Total funds carried forward		2,752,430	1,244,354	3,996,784	2,329,361	1,497,820	3,827,181

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 25(a to d) to the financial statements.

As at 31 March 2022

	Note	The Group 2022 £	2021 £	The Charity 2022 £	2021 £
Fixed assets:					
Tangible assets	14	8,306	20,784	8,306	20,784
Listed investments	15a	670,758	618,453	670,758	618,453
Shares in group undertaking	15b	-	-	100	100
		679,064	639,237	679,164	639,337
Current assets:					
Debtors	18	975,447	1,718,303	980,318	1,744,538
Short notice deposits held for investment		1,408,105	1,407,205	1,408,105	1,407,205
Cash at bank and in hand		1,472,008	955,935	1,402,482	828,783
		3,855,560	4,081,443	3,790,905	3,980,526
Liabilities:					
Creditors: amounts falling due within one year	19	(510,625)	(753,817)	(507,042)	(751,767)
Net current assets		3,344,935	3,327,626	3,283,863	3,228,759
Total assets less current liabilities		4,023,999	3,966,863	3,963,027	3,868,096
Creditors: amounts falling due after one year	21	(27,215)	(139,682)	(27,215)	(139,682)
Total net assets		3,996,784	3,827,181	3,935,812	3,728,414
The funds of the charity:	25				
Restricted income funds		1,244,354	1,497,820	1,244,354	1,497,820
Unrestricted income funds:					
Designated funds		1,288,385	912,780	1,288,385	912,780
Pension reserve		(43,475)	(192,266)	(43,475)	(192,266)
Non-charitable subsidiary funds		60,972	98,767	-	-
General funds		1,446,548	1,510,080	1,446,548	1,510,080
Total unrestricted funds		2,752,430	2,329,361	2,691,458	2,230,594
Total funds		3,996,784	3,827,181	3,935,812	3,728,414

Approved by the trustees on 28 September 2022 and signed on their behalf by

Lin Hinnigan
Home-Start UK, Chair of Trustees

Consolidated statement of cash flows

For the year ended 31 March 2022

	Note	£	2022 £	£	2021 £
Cash flows from operating activities					
Net cash provided by operating activities	26		491,744		1,031,031
Cash flows from investing activities:					
Interest from investments		25,229		23,409	
Purchase of investments		-		(200,000)	
Net cash provided by/(used in) investing activities			25,229		(176,591)
Change in cash and cash equivalents in the year			516,973		854,440
Cash and cash equivalents at the beginning of the year			2,363,140		1,508,700
Cash and cash equivalents at the end of the year	27		2,880,113		2,363,140

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies

a) Statutory information

Home-Start UK is a charitable company limited by guarantee and is incorporated in England and Wales, and Scotland. The registered office address and principal place of business is The Crescent, King Street, Leicester, LE1 6RX.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Home-Start Consultancy Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The wholly-owned subsidiary became operational on 1st November 2020.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgments, for example in respect of significant accounting estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgments affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Key judgments that the charitable company has made which have a significant effect on the accounts include a calculation of the present value of agreed pension deficit recovery payment.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation 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. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, 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 services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Investment income is earned through holding assets for investment purposes. It may include dividends and interest. It is included when the amount can be measured reliably.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)**i) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Standing alongside families relates to the costs incurred in making the case for support to help more families avoid crisis as a result of receiving appropriate early support.
- Stronger together relates to the costs of a thriving, collaborative UK-wide community of high quality Home-Start provision for families with young children
- Growing our movement relates to a collective ambition to reach significantly more families and in a way that works for them

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Where directly attributable resources expended are allocated to the particular activity where the cost relates. Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure. Similarly where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

- | | |
|-------------------------------|-----|
| • Standing alongside families | 31% |
| • Stronger together | 42% |
| • Growing our movement | 17% |
| • Cost of raising funds | 10% |

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

- | | |
|-------------------------|-----|
| • Fixtures and fittings | 15% |
| • Computer Equipment | 33% |

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) Fixed asset investments

Investments are a form of non-basic financial instrument and are initially recognised at their transaction value and subsequently measured at fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

p) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

q) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 30 days and 12 months.

r) Cash at bank and in hand

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

s) Creditors and provisions

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.

t) Financial instruments

The charity has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities. Full details are given in the financial instruments note.

u) Pensions

Home-Start UK makes contributions into a defined benefit pension scheme, which is now closed and a number of defined contribution schemes. The defined benefit scheme is a multi-employer scheme and it is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. Home-Start UK has recognised its liability for past service deficits for this scheme and these are noted as a liability and in the pension reserve. The assets of the various schemes are held separately from those of Home-Start UK in independently administered funds. Employer contributions are charged in the Statement of Financial Activities as they fall due.

2 Income from donations

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Individual donations	386,294	4,765	391,059	157,281	-	157,281
Corporate partnership donations	491,195	-	491,195	83,086	-	83,086
Trust/foundation donations	91,000	100,475	191,475	17,200	68,243	85,443
Covid Appeal	-	-	-	12,500	248,079	260,579
Christmas Appeal	40,741	-	40,741	-	-	-
Give a Little Love - Christmas Campaign	-	-	-	898,460	-	898,460
Give a Little Love 2	-	-	-	312,500	-	312,500
Coronavirus Job Retention Scheme	3,334	-	3,334	51,291	-	51,291
Legacies	7,348	-	7,348	1,500	-	1,500
	1,019,912	105,240	1,125,152	1,533,818	316,322	1,850,140

Donations

Income received from charitable trusts, corporate partners, charity challenges and individual givers for our work across the UK. Individual donations increased as supporters who gave in 2020-21 as part of our Covid Appeal and via the John Lewis Partnership website continued to support us in 2021-22. Corporate partnership donations increased as our partnership with the John Lewis Partnership continued with further in-house fundraising following the Give a Little Love campaign in 2020-21, and a new corporate relationship with BT, that in 2022-23, will support our Digital Inclusion Programme.

Notes to the financial statements

For the year ended 31 March 2022

3 Income from charitable activities

Funding is allocated to either the most relevant strategic workstream or, where appropriate, proportionally across multiple workstreams.

	2022			2021		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£
Standing Alongside Families						
Membership Levy	278,472	-	278,472	237,259	-	237,259
Corra Foundation (Scotland)	-	78,800	78,800	-	78,800	78,800
DHSS Family Policy Unit (Northern Ireland)	-	11,345	11,345	-	14,181	14,181
Department of Digital, Culture, Media and Sport	-	-	-	-	1,266,245	1,266,245
Scottish Government	-	152,350	152,350	-	310,250	310,250
Support from trusts and foundations	-	603,135	603,135	-	680,455	680,455
Support from corporate partners	-	14,500	14,500	-	-	-
Sub-total for Standing Alongside Families	278,472	860,130	1,138,602	237,259	2,349,931	2,587,190
Standing Together						
Membership Levy	278,472	-	278,472	237,259	-	237,259
Corra Foundation (Scotland)	-	228,212	228,212	-	78,800	78,800
DHSS Family Policy Unit (Northern Ireland)	-	26,470	26,470	-	33,088	33,088
Department of Digital, Culture, Media and Sport	-	67,500	67,500	-	-	-
Community Fund (various grants)	-	-	-	-	859,124	859,124
Support from trusts and foundations	-	952,342	952,342	4,000	696,402	700,402
Support from corporate partners	65,000	252,950	317,950	-	100,000	100,000
Training events	900	-	900	300	-	300
Sales of material and publications	980	-	980	59	-	59
Sub-total for Standing Together	345,352	1,527,474	1,872,826	241,618	1,767,414	2,009,032
Growing our Movement						
Membership Levy	139,235	-	139,235	118,630	-	118,630
Corra Foundation (Scotland)	-	39,400	39,400	-	39,400	39,400
Department of Digital, Culture, Media and Sport	-	22,500	22,500	-	-	-
Support from trusts and foundations	-	181,889	181,889	-	153,620	153,620
Support from corporate partners	65,000	256,618	321,618	-	100,000	100,000
Sub-total for Growing our Movement	204,235	500,407	704,642	118,630	293,020	411,650
Total income from charitable activities	828,059	2,888,011	3,716,070	597,507	4,410,365	5,007,872

3 Income from charitable activities (continued)**Membership Levy**

The membership levy is received from local Home-Starts who each contribute 2% of 90% of their income from the previous financial year in line with the Home-Start agreement. The levy is not a payment for specific services and the support of an individual local Home-Start does not vary according to the amount that they pay each year. During 2021-22, the levy was capped at £10,000 for individual local Home-Starts (2020-21:£10,000).

Government Grants

A grant was received from DHSS Family Policy Unit of £37,815 (2021: £47,269) for our work in Northern Ireland. A grant was received from the Corra Foundation of £197,000 (2021: £197,000) for our work in Scotland. The Corra Foundation gave further funding of £149,412 (2021:£nil) to support necessary shifts to help ensure children and young people grow up loved, safe and respected through The Promise Partnership. The Department for Digital, Culture, Media & Sport supported our work through a £90,000 grant (with a matching £90,000 from the Pears Foundation) to develop a volunteer platform to support an increase in volunteer recruitment and retention (2021: £750,000 - to help mothers overcome loneliness during Covid-19). The Scottish Government supported our work during the pandemic totalling £152,350 (2021: £310,250) for a further winter support fund and family focus groups.

Support from the Community fund, corporate, trusts and foundations

Grants were received to support our work across the UK with continued support in specific areas across the UK. Our work in consolidating the network and to develop new evidence-based family support programmes with funding from the Big Lottery Fund came to an end (2021: £149,544) alongside our work in Greater Manchester of £192,500 (2021: £182,500) with the work currently being evaluated. A number of trusts and foundations continued to support our work started in previous years: Dulverton Trust £39,350 (2021: £38,550) for our Early Years Development work, the roll out and development of Big Hopes Big Future® in England and Wales with funding from the Masonic Charitable Foundation of £87,638 (2021: £336,727), the Army Central Fund of £49,200 (2021: £49,200) for our work with army families and a partnership with The Royal Navy and Royal Marines Charity for work with naval families.

In 2020-21 a number of funders supported our work during the pandemic for direct support to local Home-Starts and to support Home-Start UK to provide our support to them. This work has been further supported in 2021-22 with further crisis funding and supporting our work to recover and become more resilient and sustainable moving forwards. The Brook Trust continued their funding giving £150,000 (2021:£100,000) for our Build Back Better Programme following grants to local Home-Starts facing financial difficulty. The Pears Foundation and the Department of Digital, Culture, Media & Sport provided further funding of £125,000 (2021:£1,116,245) to build back stronger during the pandemic. In addition, a further £180,000 was awarded (2021:£nil) towards our Volunteering Futures Fund to develop a volunteer platform to support an increase in volunteer recruitment and retention. New funding in 2021-22 for this work included £30,000 from The Pilgrim Trust (helping young parents to overcome loneliness and isolation, £152,000 from STV Children's Appeal (supporting families and children affected by poverty in Scotland) and £400,000 from Volant Charitable Trust (Covid-19 emergency response fund and reconnection project).

Funders also supported our development work in perinatal mental health (Sylvia Adams Charitable Trust, Charles Gordon Foundation and Rayne Foundation), building our online volunteer community (Porticus), exploring our digital working (Henry Smith, CAST) and connecting from the start (Nesta and Kristian Gerhard Foundation). New funding for 2021-22 was from the Band Trust who awarded £100,000 towards digital transformation and our website and from Fidelity UK Foundation of £148,000 towards our business intelligence project enabling more vulnerable families to achieve positive outcomes.

Following the successful Christmas Campaign with the John Lewis Partnership, they have donated a further £120,000 in 2021-22, (£200,000) to explore local partnerships and relationships for local Home-Starts and their local stores in 10 locations and new funding of £250,000 for a volunteer upskilling programme called Healthy Happy Home. In addition to unrestricted donations from BT, they also awarded £10,000 towards a future service-led project and £4,117 to support Home-Start Suffolk to set up a Dad's Matters Programme. Amazon gave £25,000 towards volunteer recruitment following their grant of £10,000 in 2020-21 towards our emergency grant fund. £14,500 was received from Rescue Remedy to produce a series of short videos supporting parents with advice, hints and tips on specific topics.

4 Income from other trading activities

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Subsidiary trading income	74,022	-	74,022	105,960	-	105,960
Other	5,924	-	5,924	11,417	4,750	16,167
	<u>79,946</u>	<u>-</u>	<u>79,946</u>	<u>117,377</u>	<u>4,750</u>	<u>122,127</u>

5 Income from investments

	2022 Total £	2021 Total £
Bank Interest	6,803	11,176
Interest from fixed asset investments	18,426	12,233
	<u>25,229</u>	<u>23,409</u>

All income from investments is unrestricted.

6a Analysis of expenditure (current year)

	Charitable activities						2022 Total £	2021 Total £
	Cost of raising funds £	Standing alongside families £	Stronger together £	Growing our movement £	Governance costs £	Central support costs £		
Staff costs (Note 10)	171,205	532,536	697,887	304,030	41,613	152,686	1,899,957	1,230,257
Recruitment	11,098	5,543	10,130	3,605	20,616	5,818	56,810	81,354
Travel	4,529	6,789	19,573	7,877	594	2,891	42,253	1,529
Office Costs	20,024	80,309	63,132	23,020	3,756	128,470	318,711	250,088
Internal Meetings	1,537	2,557	2,114	2,241	605	60	9,114	-
Grants to local Home-Starts (Note 7)	4,928	1,073,164	517,158	139,623	-	-	1,734,873	2,948,615
Technical advice and support (Note 8)	8,512	106,996	172,018	86,868	6,231	27,258	407,883	512,438
Training and development	17,513	24,420	114,383	50,228	1,048	18,871	226,463	39,221
Depreciation and loss on disposal	1,151	3,521	4,710	1,866	176	1,053	12,477	11,869
Fundraising materials/events expenses	34,937	6,115	9,123	9,688	-	-	59,863	36,943
Audit fees/legal and professional	4,834	16,608	15,830	3,625	79,069	30,717	150,683	85,807
Evaluation, scaling & dissemination	-	-	2,800	-	-	-	2,800	20,062
	280,268	1,858,558	1,628,858	632,671	153,708	367,824	4,921,887	5,218,183
Central support costs	37,599	115,170	154,004	61,051		(367,824)	-	-
Governance costs	15,712	48,128	64,356	25,512	(153,708)	-	-	-
Total expenditure 2022	333,579	2,021,856	1,847,218	719,234	-	-	4,921,887	5,218,183
Total expenditure 2021	291,401	3,066,396	1,440,416	419,970	-	-	5,218,183	

Home-Start UK

Notes to the financial statements

For the year ended 31 March 2022

6b Analysis of expenditure (prior year)

	Charitable activities						2021 Total £
	Cost of raising funds £	Standing alongside families £	Stronger together £	Growing our movement £	Governance costs £	Central support costs £	
Staff costs (Note 10)	110,428	405,339	402,654	213,405	39,922	58,509	1,230,257
Recruitment	16,177	12,332	16,911	10,174	21,560	4,199	81,353
Travel	-	75	143	22	5	1,284	1,529
Office Costs	14,544	72,364	70,003	15,792	2,466	74,920	250,089
Internal Meetings	-	-	-	-	-	-	-
Grants to local Home-Starts (Note 7)	2,086	2,289,819	571,658	85,052	-	-	2,948,615
Technical advice and support (Note 8)	80,623	156,060	216,973	29,152	2,075	27,555	512,438
Training and development	122	7,464	23,554	4,205	368	3,508	39,221
Depreciation and loss on disposal	1,219	3,957	3,987	1,859	203	644	11,869
Fundraising materials/events expenses	31,211	2,713	1,662	1,357	-	-	36,943
Audit fees/legal and professional	-	6,330	7,018	2,421	52,602	17,436	85,807
Evaluation, scaling & dissemination	-	-	15,046	5,016	-	-	20,062
	256,410	2,956,453	1,329,609	368,455	119,201	188,055	5,218,183
Central support costs	21,416	67,290	67,819	31,530	-	(188,055)	-
Governance costs	13,575	42,653	42,988	19,985	(119,201)	-	-
Total expenditure 2021	291,401	3,066,396	1,440,416	419,970	-	-	5,218,183

Notes to the financial statements

For the year ended 31 March 2022

7 Analysis of grants to local Home-Starts

	2022 £	2021 £
Grants to institutions		
Crisis pandemic funds for local Home-Starts (see breakdown below)	395,319	2,201,985
Home-Start service in Inverclyde	-	27,925
#GrowUpGreat (Home-Start Exeter & East Devon and Home-Start Southwark)	-	50,000
Supporting our service across Manchester (see breakdown below)	180,000	180,000
Supporting families and children affected by poverty in Scotland (STV Children's Appeal)	150,000	-
To deliver change in holistic family support in Scotland (The Promise)	17,366	-
Supporting work with service families (see breakdown below)	45,000	45,700
Big Hopes Big Future®	42,453	274,875
Recovery and resilience programme (see breakdown below)	690,953	-
Sustainability of local Home-Starts to support families (funded by The Brook Trust)	47,700	27,300
Connecting from the Start (funded by Kristian Gerhard Foundation)	20,000	76,000
Volunteering-upskilling programme (funded by John Lewis Partnership)	74,000	-
Volunteering Futures Fund (funded by Pears/DCMS)	10,000	-
Digital mentoring elearning project	-	10,000
Trustee recruitment/Strategic support/Family Focus Groups (funded by the Scottish Government)	12,350	19,450
Supporting young people in Scotland (funded by the Scottish Children's Lottery)	20,920	980
Family Support to naval families (funded by the Royal Navy & Royal Marines Charity)	20,200	15,100
Other	8,612	19,300
At the end of the year	1,734,873	2,948,615

Home-Start UK is instrumental in securing funding to pass on to local Home-Starts. These grants are distributed in line with the criteria of the funder. Applications are formally assessed by a panel. Central support costs are allocated as shown in Note 6. In total, 437 (2021: 823) grant payments to local Home-Starts were made during 2021-22.

Breakdown of material grants included in the above grants to institutions:-	2022 £	2021 £
Crisis pandemic funds for local Home-Starts		
◦ Families Connected Emergency grant fund		
- 192 local Home-Starts received emergency funding to support their families	-	185,139
◦ Connecting with Families at Christmas		
- 139 local Home-Starts were able to provide Christmas activities/gifts to their families	-	116,702
◦ Caring for families during COVID		
- Following 128 grants in 2020-21, 6 further grants were made thanks to the John Lewis Partnership to support families under the categories of Warm, Smile, Food, Connect and Access	42,820	481,249
◦ Supporting local Home-Starts to support families with isolation		
- 27 local Home-Starts in Scotland were supported by the Scottish Government to address loneliness and isolation in young parents. A further 18 Home-Starts in England were supported by The Pilgrim Trust.	152,500	795,000
- 18 local Home-Starts were supported by the Pilgrim Trust to help young parents to overcome loneliness and isolation		
◦ Supporting local Home-Starts to support families during the pandemic		
- supporting 34 of the most vulnerable local Home-Starts to survive the pandemic	-	466,245
◦ Covid-19 Reconnection Project		
- Covid response emergency funding to help 19 Home-Starts to continue working to tackling loneliness	199,999	-
◦ Other		
- 30 local Home-Starts in Scotland were supported with winter funding and outdoor play	-	157,650
	395,319	2,201,985
Supporting our service across Manchester		
Home-Start Manchester	45,000	45,000
Home-Start Oldham, Stockport & Tameside	60,000	60,000
Home-Start Rochdale	30,000	30,000
Home-Start Trafford	45,000	45,000
	180,000	180,000
Recovery and Resilience Programme		
◦ The John Lewis Partnership funded 42 grants in 10 SuperCharged communities supporting families locally	171,304	-
◦ 75 grants in England and 24 grants in Wales, Scotland and Northern Ireland (funded by Pears Foundation/DCMS) towards the resilience and sustainability of the network	432,433	-
◦ 25 grants were awarded as part of the Build Back Better Programme funded by The Brook Trust focussing on governance	87,216	-
	690,953	-
Supporting work with Service families		
Various Home-Start schemes (11 grants ranging from £500 to £10,000)	45,000	45,700
	45,000	45,700

Notes to the financial statements

For the year ended 31 March 2022

8 Analysis of technical advice and support

	2022 £	2021 £
Technical advice and support		
Network development	52,929	163,401
PR and communications	39,301	24,407
Home-Start Agreement	2,600	-
Corporate partnership development	86,696	183,163
Strategy and policy development	67,085	42,519
Digital, data and technology development	109,152	42,892
To support funded projects	45,623	42,680
Other	4,497	13,376
	407,883	512,438

Home-Start UK uses technical advice, support and expertise to assist in strategic development as part of externally funded projects and to provide targeted expenditure in key areas such as strategic development, digital development, building corporate partnerships and supporting network development using freelance, interims via agencies and consultancy.

9 Net income/(expenditure)

This is stated after charging /(crediting):

	2022 £	2021 £
Depreciation	8,821	11,869
Operating lease rentals:		
Property	32,965	37,726
Other	753	768
Auditors' remuneration (excluding VAT):		
Audit	15,850	15,000
Other services	1,630	1,520

10 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	1,613,966	1,045,542
Redundancy costs paid and settled	-	2,674
Social security costs	166,809	102,127
Employer's contribution to defined contribution pension schemes	119,182	79,914
	1,899,957	1,230,257

The redundancy costs were settled and paid at the balance sheet date.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2022 No.	2021 No.
£100,000 - £109,999	1	-
£90,000 - £99,999	-	1
£80,000 - £89,999	-	1
£70,000 - £79,999	2	1
£60,000 - £69,999	1	-

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £389,886 (2021: £314,738).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £1,264 (2021: £nil) incurred by 8 (2021: 0) members relating to attendance at meetings of the trustees.

Notes to the financial statements

For the year ended 31 March 2022

11 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2022 No.	2021 No.
Raising funds	3.6	3.0
Standing alongside families	10.9	9.5
Stronger together	14.6	9.5
Growing our movement	5.8	4.4
Central support costs	3.2	1.6
Governance	0.6	0.5
	38.7	28.5

The number of employees calculated on the basis of full-time equivalents at the end of the year was 43.6 (2021: 29.0).

12 Related party transactions

Our honorary president, James Sainsbury OBE, is also a trustee of The Headley Trust and The Tedworth Charitable Trust. The Headley Trust made a grant of £22,000 (2021: £20,000) towards our core work and The Tedworth Charitable Trust did not make a grant during 2021-22 (2021: £45,000). There were no outstanding balances due to or from related parties at 31st March 2022. (2021: Enil). James Sainsbury OBE receives no benefit from the grants made to the charity.

Home-Start UK received donations totalling £886 (2021: £762) from 2 trustees (2021: 2 trustees). The trustees receive no benefit from the donations made to the charity.

Deborah Bennett, trustee of Home-Start UK to 22nd June 2021, is also a trustee of Home-Start South Leicestershire, which received £7,766 (2021: £13,164) during the year. The £7,766 was made up of 2 grants of £2,000 for governance support and £5,766 supercharged communities. In 2020/21 the £13,164 comprised grant payments through appeal emergency funding of £657, connecting families grant of £7,666, connecting with families at Christmas of £881 and Give a Little Love grant of £3,960.

Elizabeth Hill-Smith, a trustee of Home-Start UK, is also a volunteer of Home-Start Waverley, which received £3,191 (2021: £21,580) during the year. The £3,191 was a grant to support the local Home-Start in recovery and sustainability. In 2020/21 the £21,580 comprised grant payments of £15,000 for supporting loneliness during the pandemic, £1,620 in emergency grant funding, connecting families grant of £1,000 and £3,960 Give a Little Love grant.

Pete Thomas, Chief Operating Officer, is also a trustee of The Lullaby Trust. No payments were made during 2021-22 but The Lullaby Trust is working with Home-Start UK with the John Lewis Partnership Healthy Happy Homes.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

13 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The charity's trading subsidiary Home-Start Consultancy Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2022 £	2021 £
UK corporation tax at 19%	-	-

14 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
The group and charity Cost			
At the beginning of the year	57,741	129,019	186,760
Disposals in year	(6,487)	-	(6,487)
At the end of the year	51,254	129,019	180,273
Depreciation			
At the beginning of the year	39,550	126,426	165,976
Disposals in year	(2,830)	-	(2,830)
Charge for the year	6,397	2,424	8,821
At the end of the year	43,117	128,850	171,967
Net book value			
At the end of the year	8,137	169	8,306
At the beginning of the year	18,191	2,593	20,784

All of the above assets are used for charitable purposes.

Notes to the financial statements

For the year ended 31 March 2022

15a Listed investments

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Fair value at the start of the year	618,453	347,098	618,453	347,098
Additions at cost	-	200,000	-	200,000
Disposal proceeds	-	-	-	-
Net gain/(loss) on change in fair value	52,305	71,355	52,305	71,355
Fair value at the end of the year	670,758	618,453	670,758	618,453
Investments comprise:				
COIF Charities Investment Fund	670,758	618,453	670,758	618,453
	670,758	618,453	670,758	618,453

15b Shares in group undertaking

	2022	2021
	£	£
Cost at 1 April 2021 and 31 March 2022	100	100

Home-Start UK owns 100% of the issued share capital of Home-Start Consultancy Limited. The company was dormant during the previous financial years and became operational during 2020/21.

Notes to the financial statements

For the year ended 31 March 2022

16 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Home-Start Consultancy Limited, a company registered in England. The company number is 02810260. The registered office address is The Crescent, King Street, Leicester, LE1 6RX.

The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity.

The trustees Felicity Clarkson CBE, Joanna Dennis FCCA, Philip Sugarman and Matthew Wigginton (resigned 22nd June 2021), along with Vivien Waterfield Deputy CEO, are also directors of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2022 £	2021 £
Turnover	74,022	105,960
Cost of sales	-	-
Gross profit	74,022	105,960
Administrative expenses	(12,000)	(7,111)
Profit on ordinary activities before interest and taxation	62,022	98,849
Profit on ordinary activities before taxation	62,022	98,849
Taxation on profit on ordinary activities	-	-
Profit for the financial year	62,022	98,849
Retained earnings		
Total retained earnings brought forward	98,867	18
Profit for the financial year	62,022	98,849
Distributed to parent charity	(99,817)	-
Total retained earnings carried forward	61,072	98,867
The aggregate of the assets, liabilities and reserves was:		
Assets	113,105	127,152
Liabilities	(52,033)	(28,285)
Reserves	61,072	98,867

Amounts owed to/from the parent undertaking are shown in note 19.

Included within administrative expenses above is a management charge of £4,389 (2021: £2,070) from the parent entity.

17 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2022 £	2021 £
Gross income	4,876,764	6,899,658
Result for the year	107,581	1,743,013

Notes to the financial statements

For the year ended 31 March 2022

18 Debtors

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Trade debtors	75,632	30,374	32,532	30,374
Accrued income	795,202	1,587,280	795,202	1,587,280
Other debtors	23,104	32,440	23,104	32,440
Prepayments	81,509	68,209	81,509	68,209
Amounts due from group undertaking	-	-	47,971	26,235
	975,447	1,718,303	980,318	1,744,538

The accrued income amount of £795,202 (2021: £1,587,280) includes £87,638 (2021: £336,727) from the Masonic Charitable Foundation as part of a five year programme intended to support 3,000 children through our Big Hopes Big Future® school readiness programme. Support from the Pears Foundation and the Department of Digital, Culture, Media and Sport included here for £90,000 is to develop our volunteer platform to support increased recruitment and retention (2021: £600,000 for vulnerable local Home-Starts to 'build back stronger' following the pandemic). A donation £100,000 (2021: £512,500) from the John Lewis Partnership represents their continued partnership with Home-Start. New funders for 2021-22 included here are the Fidelity UK Foundation, £148,000 (2021: £nil) towards business intelligence project enabling more vulnerable families to achieve positive outcomes and the Volant Charitable Trust, £150,000, (2021: £nil) for our Covid-19 reconnection project.

19 Creditors: amounts falling due within one year

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Trade creditors	55,566	125,873	54,050	125,873
Taxation and social security	63,311	58,509	63,311	58,509
Other creditors	27,084	25,189	27,084	25,189
Accruals	129,726	91,162	127,446	89,112
Grants payable	22,111	82,523	22,111	82,523
Grant commitments	188,058	313,409	188,058	313,409
Pension deficit	16,260	52,584	16,260	52,584
Amounts owed to group undertaking	-	-	213	-
Deferred income (note 20)	8,509	4,568	8,509	4,568
	510,625	753,817	507,042	751,767

Grants commitments of £188,058 (2021: £313,409) includes onward committed grants to local Home-Starts from the Community Fund Greater Manchester £90,000 (2021: £90,000), the Growth Fund £6,300 (2021: £32,800), Give a Little Love 2 £nil (2021: £18,672) and the Masonic Charitable Foundation for Big Hopes Big Future® £72,641 (2021: £171,938). New funding received during the year with onward grant commitments include grants to local Home-Starts from the Kristian Gerhard Jebsen Foundation for £15,000 (2021: £nil) for Connecting from the Start and £4,117 (2021: £nil) from BT to support a local Home-Start with Dad's Matter programme.

Notes to the financial statements

For the year ended 31 March 2022

20 Deferred income

Deferred income comprises funds held on behalf of local Home-Starts for future events.

	The group		The charity	
	2022	2021	2022	2021
	£	£	£	£
Balance at the beginning of the year	4,568	19,927	4,568	19,927
Amount released to income in the year	(4,568)	(19,927)	(4,568)	(19,927)
Amount deferred in the year	8,509	4,568	8,509	4,568
Balance at the end of the year	8,509	4,568	8,509	4,568

21 Creditors: amounts falling due after one year

	The group		The charity	
	2022	2021	2022	2021
	£		£	£
Pension deficit	27,215	139,682	27,215	139,682
	27,215	139,682	27,215	139,682

22 Financial instruments

	2022	2021
	£	£
Financial assets measured at fair value through profit and loss		
Investments	670,758	618,453
Financial liabilities measured at fair value through profit or loss		
Defined pension scheme liability	(43,475)	(192,266)

23 Pension scheme

The Pensions Trust - Growth Plan ("the scheme")

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company 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 scheme is classified as a 'last-man standing arrangement'. Therefore the company 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.

A full actuarial valuation for the scheme was carried out at 30 September 2020. Following confirmation of the final audited asset value, the deficit has reduced to £31.6m (2017: £131.5m). The Recovery Plan end date has been maintained at 31 January 2025. Expenses will be set at £3.7m per annum for the Plan overall and will increase by 3% per annum.

Expenses will no longer be included in the deficit payment and from 1 April 2022 will be identified separately and paid in addition to deficit contributions. This approach is more transparent and has the benefit to employers of expenses no longer being included in employer accounts for the purposes of FRS102.

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 the scheme is in deficit and where Home-Start UK has agreed to a deficit funding arrangement, Home-Start UK recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The amount recognised includes the unwinding of the discount used to calculate the net present value.

Home-Start UK ceased to provide this defined benefit scheme with effect from January 2009, with most of the members switching to the defined contribution scheme. Home-Start UK contributed £56k to the past service deficit of the defined benefit scheme in the year (2021: £54k) and will continue to contribute annually until 2025 subject to changes in deficit contributions once confirmed. Under the new recovery plan, from 1 April 2022, the deficit contributions are £17.3k per annum and the expense amount is £19.3k per annum bringing the total payment to £36.6k per annum.

Notes to the financial statements

For the year ended 31 March 2022

24a Analysis of group net assets between funds (2021/22 - current year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	8,306	-	8,306
Investments	670,758	-	-	670,758
Net current assets	820,502	1,280,079	1,244,354	3,344,935
Long term liabilities	(27,215)	-	-	(27,215)
Net assets at 31 March 2022	1,464,045	1,288,385	1,244,354	3,996,784

24b Analysis of net assets between funds (2020/21 - prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	20,784	-	20,784
Investments	618,453	-	-	618,453
Net current assets	937,810	891,996	1,497,820	3,327,626
Long term liabilities	(139,682)	-	-	(139,682)
Net assets at 31 March 2021	1,416,581	912,780	1,497,820	3,827,181

Notes to the financial statements

For the year ended 31 March 2022

25a Movements in restricted funds (2021/22 - current year)

	At 1 April 2021 £	Income £	Expenditure £	Transfers £	At 31 March 2022 £
Aberdeen Asset Management Charitable Foundation	-	16,250	-	-	16,250
Amazon	-	25,000	(25,000)	-	-
Army Central Fund	-	49,200	(49,200)	-	-
Band Trust	-	100,000	(100,000)	-	-
Big Lottery Fund - consolidation project	9,400	-	(9,400)	-	-
Big Lottery Fund - Greater Manchester project	1,250	192,500	(185,300)	-	8,450
Brook Trust	60,127	150,000	(210,127)	-	-
BT	-	14,118	(4,118)	-	10,000
Charles Gordon Foundation	57,725	60,000	(60,163)	-	57,562
Corra Foundation	-	197,000	(197,000)	-	-
Corra Foundattion - The Promise Partnership	-	149,412	(46,969)	-	102,443
DHSS & PS Northern Ireland	-	37,815	(37,815)	-	-
Dulverton Trust	-	39,350	(39,350)	-	-
Early Intervention Fund (EIF)	-	11,278	(11,278)	-	-
Fidelity UK Foundation	-	148,000	-	-	148,000
George & Grace Hart Charitable Trust	-	475	(475)	-	-
Henry Smith	11,811	-	(11,811)	-	-
Home-Start Greater Manchester	5,176	-	(2,500)	-	2,676
John Lewis Partnership - Healthy Happy Home	-	250,000	(128,677)	-	121,323
John Lewis Partnership - Supercharged communities	196,550	120,000	(316,550)	-	-
Kristian Gerhard Jebesen Foundation	21,819	164,000	(60,699)	-	125,120
Margaret Harrison Travel Scholarship	7,491	-	-	-	7,491
Masonic Charitable Foundation	347,214	87,638	(147,506)	-	287,346
NI development	9,498	-	-	-	9,498
Pears Family Charitable Foundation with DCMS	600,000	125,000	(725,000)	-	-
Pears Family Charitable Foundation with DCMS	-	180,000	(90,000)	-	90,000
Pilgrim Trust	-	30,000	(30,000)	-	-
Porticus UK	42,217	-	(42,217)	-	-
Rayne Foundation	31,857	24,600	(33,915)	-	22,542
Rescue Remedy	-	14,500	(14,500)	-	-
R S MacDonald Charitable Trust - digital technology	1,577	-	-	-	1,577
Royal Navy & Royal Marines Charity	30,889	-	(25,200)	-	5,689
Scottish Children's Lottery	24,020	-	(24,020)	-	-
Scottish Government - Loneliness & Isolation Fund	-	150,000	(150,000)	-	-
Scottish Government - Family Focus Groups	-	350	(350)	-	-
Scotland fundraising	-	4,765	(1,600)	-	3,165
STV Children's Appeal	-	152,000	(152,000)	-	-
Sylvia Adams Charitable Trust	14,199	-	(14,199)	-	-
Tedworth Charitable Trust	25,000	-	(25,000)	-	-
Volant Charitable Trust	-	400,000	(250,000)	-	150,000
White Stuff Foundation	-	100,000	(24,778)	-	75,222
Total restricted funds	1,497,820	2,993,251	(3,246,717)	-	1,244,354

Notes to the financial statements

For the year ended 31 March 2022

25b Movements in restricted funds (2020/21 - prior year)

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Amazon	-	10,000	(10,000)	-	-
Anonymous	20,000	-	(20,000)	-	-
Army Central Fund	-	49,200	(49,200)	-	-
Beatrice Laing Foundation	-	12,500	(12,500)	-	-
Big Lottery Fund - consolidation project	91,245	149,544	(231,389)	-	9,400
Big Lottery Fund - investing in communities	-	29,080	(29,080)	-	-
Big Lottery Fund - Covid19 emergency response grant	-	498,000	(498,000)	-	-
Big Lottery Fund - Greater Manchester project	1,250	182,500	(182,500)	-	1,250
Brook Trust	-	100,000	(39,873)	-	60,127
CAST	-	10,000	(10,000)	-	-
Charles Gordon Foundation	-	60,000	(2,275)	-	57,725
Corra Foundation	-	197,000	(197,000)	-	-
Department for Digital, Culture, Media & Sport	-	750,000	(750,000)	-	-
DHSS & PS Northern Ireland	-	47,269	(47,269)	-	-
Dulverton Trust	-	38,550	(38,550)	-	-
Garfield Weston	7,000	-	(7,000)	-	-
George & Grace Hart Charitable Trust	-	714	(714)	-	-
Growth Fund	25,000	25,000	(50,000)	-	-
Harvey Charitable Trust	-	1,000	(1,000)	-	-
Headley Trust	-	20,000	(20,000)	-	-
Help Us Keep Families Connected	30,585	92,579	(123,164)	-	-
Henry Smith	-	20,000	(8,189)	-	11,811
Home-Start Bolton	-	4,750	(4,750)	-	-
Home-Start Greater Manchester	7,601	487	(2,912)	-	5,176
John Lewis Partnership - Supercharged communities	-	200,000	(3,450)	-	196,550
Kristian Gerhard Jebsen Foundation	-	100,000	(78,181)	-	21,819
Liz & Terry Bramall Foundation	-	18,000	(18,000)	-	-
Margaret Harrison Travel Scholarship	7,449	42	-	-	7,491
Masonic Charitable Foundation	363,185	336,727	(352,698)	-	347,214
Nesta LENA	20,000	-	(20,000)	-	-
Nesta	-	15,000	(15,000)	-	-
NI Development	13,491	-	(3,993)	-	9,498
Pat Newman Memorial Trust	-	2,000	(2,000)	-	-
Pears Family Charitable Foundation with DCMS	-	1,116,245	(516,245)	-	600,000
Porticus UK	-	80,000	(37,783)	-	42,217
Rayne Foundation	-	37,000	(5,143)	-	31,857
R S MacDonald Charitable Trust - digital technology	6,377	6,000	(10,800)	-	1,577
Royal Navy & Royal Marines Charity	97,850	(24,500)	(42,461)	-	30,889
Scottish Children's Lottery	-	25,000	(980)	-	24,020
Scottish Government - Winter Fund	-	150,000	(150,000)	-	-
Scottish Government - Family Focus Groups	-	1,750	(1,750)	-	-
Scottish Government - Outdoor Play	-	8,500	(8,500)	-	-
Scottish Government - Winter Support Fund	-	150,000	(150,000)	-	-
SCVO	1,800	-	(1,800)	-	-
STV	2,000	2,000	(4,000)	-	-
Sylvia Adams Charitable Trust	-	49,500	(35,301)	-	14,199
Tedworth Charitable Trust	-	20,000	(20,000)	-	-
Tedworth Charitable Trust	-	25,000	-	-	25,000
Vichai Srivaddhanaprabha Foundation Limited	-	25,000	(25,000)	-	-
Warburtons	-	40,000	(40,000)	-	-
White Stuff Foundation	-	50,000	(50,000)	-	-
Total restricted funds	694,833	4,731,437	(3,928,450)	-	1,497,820

Notes to the financial statements

For the year ended 31 March 2022

25c Movement in total funds (2021/22 - current year)

	At 1 April 2021 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2022 £
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	20,784	-	-	(12,478)	8,306
Strategic Transformation Fund	585,392	-	-	(75,000)	510,392
Give a Little Love	306,604	210,687	(42,820)	(116,784)	357,687
Digital transformation	-	-	-	82,000	82,000
Recovery and resilience programme	-	-	-	330,000	330,000
Total designated funds	912,780	210,687	(42,820)	207,738	1,288,385
General funds					
General funds	1,510,080	1,672,826	(1,479,646)	(256,712)	1,446,548
Non-charitable subsidiary funds	98,767	74,022	(12,000)	(99,817)	60,972
Pension liability	(192,266)	-	-	148,791	(43,475)
Total general funds	1,416,581	1,746,848	(1,491,646)	(207,738)	1,464,045
Total unrestricted funds	2,329,361	1,957,535	(1,534,466)	-	2,752,430
Total restricted funds	1,497,820	2,993,251	(3,246,717)	-	1,244,354
Total funds at 31 March 2022	3,827,181	4,950,786	(4,781,183)	-	3,996,784

25d Movement in total funds (2020/21 - prior year)

	At 1 April 2020 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2021 £
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	32,653	-	-	(11,869)	20,784
Strategic Delivery Fund	235,392	-	-	(235,392)	-
Strategic Transformation Fund	-	-	-	585,392	585,392
Give a Little Love	-	-	-	306,604	306,604
Total designated funds	268,045	-	-	644,735	912,780
General funds					
General funds	1,254,303	2,239,576	(1,339,064)	(644,735)	1,510,080
Non-charitable subsidiary funds	(82)	105,960	(7,111)	-	98,767
Pension liability	(231,780)	-	39,514	-	(192,266)
Total general funds	1,022,441	2,345,536	(1,306,661)	(644,735)	1,416,581
Total unrestricted funds	1,290,486	2,345,536	(1,306,661)	-	2,329,361
Total restricted funds	694,833	4,731,437	(3,928,450)	-	1,497,820
Total funds at 31 March 2020	1,985,319	7,076,973	(5,235,111)	-	3,827,181

Notes to the financial statements

For the year ended 31 March 2022

Purposes of restricted funds

Aberdeen Asset Management Charitable Foundation	Local level support to families across Scotland focussing on PIMH
Amazon	Emergency grant fund (20/21), Volunteer recruitment (21/22)
Anonymous	Towards the Head of Volunteering post
Army Central Fund	Grants for supporting work with service families
Beatrice Laing Foundation	Supporting our work during the Covid-19 crisis
Band Trust	Towards digital transformation and funding for website
Big Lottery Fund	Consolidation project
Big Lottery Fund	Investing in communities
Big Lottery Fund	Covid-19 emergency response grant
Big Lottery Fund	Greater Manchester Project
Brook Trust	Grants to local Home-Starts facing financial difficulty and Building Back Better Programme
BT	Future service-led project work and to support Home-Start Suffolk to set up a Dad's Matter Programme
CAST	Discovery programme to explore network support
Charles Gordon Foundation	Inside Lives Project (perinatal mental health in Scotland)
Corra Foundation	Scotland Third Sector Early Intervention Fund
Corra Foundation - The Promise Partnership	A Good Childhood - to support necessary shifts to help ensure children and young people grow up loved, safe and respected
David Family Foundation	Volunteer Preparation Course update
Department for Digital, Culture, Media & Sport	Loneliness fund - helping mothers overcome loneliness during Covid-19
DHSS & PS Northern Ireland	Revenue grant towards our work in Northern Ireland
Dulverton Trust	Early years development across Home-Start
Early Intervention Foundation	Towards costs of Senior Adviser of Impact and Practise
Fidelity UK Foundation	Towards business intelligence project enabling more vulnerable families to achieve positive outcomes
Garfield Weston	Delivering the best training to Home-Start volunteers
George & Grace Hart Charitable Trust	Towards our work in Leicestershire
Growth Fund	To support our expansion of Home-Start reach
Harvey Charitable Trust	Towards our work in Scotland
Headley Trust	Emergency appeal to support local schemes
Help Us Keep Families Connected	Emergency Grant Appeal Fund due to coronavirus
Henry Smith Charity	Digital working in the network
Home-Start Bolton	To support the closure of Home-Start Bolton
Home-Start Greater Manchester	Towards work in the Greater Manchester area following scheme closure
John Lewis Partnership - Healthy Happy Home	Volunteer-upskilling Programme
John Lewis Partnership - supercharged communities	Give a Little Love campaign supporting superhubs
Kristian Gerhard Jebsen Foundation	Connecting from the Start
Liz & Terry Bramall Foundation	Volunteer Preparation Course update in 2019-20 and Covid-19 appeal for Yorkshire
Margaret Harrison Travel Scholarship	Travel bursaries for Home-Starters
Masonic Charitable Foundation	Big Hopes Big Future®
Nesta	Connected from the Start to develop a collective family support offer for new parents
Nesta LENA	LENA home Early Years Social Action Fund
NI Development	Funding from the NI carol concerts and Playboard NI
Pat Newman Memorial Trust	Supporting our work in perinatal mental health
Pears Family Charitable Foundation and DCMS	Department for Digital, Culture, Media & Sport Community Match Challenge Grant
Pears Family Charitable Foundation and DCMS	Volunteering Futures Fund - developing volunteer platform to support an increase in volunteer recruitment and retention
Pilgrim Trust	Helping young parents to overcome loneliness and isolation
Porticus UK	Programme of work to support families with multiple and complex needs in 2019-20 and building Home-Starts online volunteer community in 2020-21
R S MacDonald Charitable Trust	Development in Scotland and support of families using digital technology
Rayne Foundation	Mental health work (Inside Lives)
Rescue Remedy	To produce six short videos supporting parents with advice, hints and tips
Royal Navy & Royal Marines Charity	Family support to naval families
Scottish Children's Lottery	Supporting children in Scotland
Scottish Government	Various grants supporting family focus groups, outdoor play, winter support funds during the pandemic and support for loneliness and isolation in Scotland
Scotland fundraising	Donated funds from Kiltwalk for our work in Scotland
SCVO	Digital mentoring elearning project in Scotland
STV	Big Hopes Big Future® project in Scotland
STV Children's Appeal	To support families and children affected by poverty in Scotland
Sylvia Adams Charitable Trust	Perinatal mental health training/staff costs
Tedworth Charitable Trust	Towards Covid-19 related work with local Home-Starts and core services in 2021-22
Vichai Srivaddhanaprabha Foundation Limited	Crisis fund for local Home-Starts in Leicester and Leicestershire
Volant Charitable Trust	Covid-19 emergency response fund and Covid-19 reconnection project
Warburtons	Family matters emergency grant fund
White Stuff Foundation	Perinatal mental health training/staff costs and Empowering Women Project

Purposes of designated funds

Fixed Asset Fund

The fixed asset fund represents all unrestricted funds invested in fixed assets net of any associated liabilities.

Strategic Delivery Fund

To support the response and recovery from the impact of COVID-19. The balance on this fund has been transferred to the Strategic Transformation Fund

Strategic Transformation Fund

To support the strategic framework for Home-Start UK and the network of network transformation over the next 3 to 5 years.

Give a Little Love

The Give a Little Love fund represents unrestricted funds from the Christmas Campaign in 2020/21 support to support the network locally. During 2021/22 this fund has been increased through further individual donations via Donr and a Golf Day

Digital Transformation

Central costs of supporting the BT 3Ds Digital Inclusion Programme being piloted in 2022/23 to provide digital confidence, data connectivity and devices to the network and the families they support.

Recovery and resilience programme

To support the Home-Start network to recover and become more resilient post pandemic through investment at Home-Start UK in growth and fixed-term skilled staff.

Transfers

Transfers between unrestricted funds and designated funds are agreed by the trustees.

Notes to the financial statements

For the year ended 31 March 2022

26 Reconciliation of income to net cash flow from operating activities

	2022 £	2021 £
Net income for the reporting period (as per the statement of financial activities)	169,603	1,841,862
Depreciation charges	8,821	11,869
Loss on disposal of fixed assets	3,657	-
Interest from investments	(25,229)	(23,409)
(Profit)/loss on the disposal of investments	(52,305)	(71,355)
Decrease in stocks	-	2,119
Decrease/(Increase) in debtors	742,856	(1,127,933)
(Decrease)/Increase in creditors	(355,659)	397,878
Net cash provided by operating activities	491,744	1,031,031

27 Analysis of cash and cash equivalents

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	955,935	516,073	1,472,008
Short notice deposits held for investment	1,407,205	900	1,408,105
Total cash and cash equivalents	2,363,140	516,973	2,880,113

28 Operating lease commitments

The group and charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2022 £	2021 £	Equipment 2022 £	2021 £
Less than one year	27,675	37,445	450	450
One to five years	95,030	10,077	-	-
	122,705	47,522	450	450

29 Legal status of the charity

The charity is a company limited by guarantee and has no share capital.

HOME-START UK

England & Wales - Charity number 1108837

Accounts



Home-Start UK

Annual report and group financial statements For the year ended 31st March 2021

Home-Start UK
The Crescent
King Street
Leicester
LE1 6RX

t. 0116 464 5490
e. info@home-start.org.uk
w. www.home-start.org.uk

Home-Start UK, a company limited by guarantee, company no. 5382181
Registered charity England and Wales (1108837) and in Scotland (SC039172)



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Introduction from the Chair

It has been a year like no other for families. Wave after wave of lockdowns pushed all families to the limit. If parenting and nurturing children was not hard enough, the global pandemic, social isolation and economic turbulence have magnified the pressure and anxiety of every possible challenge a family might face.

Yet, it is in times of crisis that fundamental human values are revealed. In our communities, so many have risen to the collective challenge – in hospitals, supermarkets, food banks. During the pandemic our Home-Start federation has been working with volunteers, staff and families in communities across the UK, and has demonstrated such humanity, humility and care over this difficult period.

It has been a pleasure to be able to support this in our work at Home-Start UK, the centre of our Home-Start movement. This extraordinary effort is recognised in this Annual Report which demonstrates how much we have achieved with families, communities, funders and decision makers in the past year.

This year, we have remained resolutely focused on core priorities of keeping families connected, supporting the resilience of local Home-Starts, and building for future impact and transformation. Among so many achievements this year the following highlights stand out:-

- Our Emergency Appeal raised over £178,000 to help local Home-Starts stay connected with families – moving services on line and organising door drops of essential items such as data and digital devices, food items and baby supplies for hundreds of families.
- Our network support teams have worked tirelessly through the year to provide a range of training, information and advice sessions and bring together local managers and volunteers for a series of hugely valuable webinars, drop ins and advice surgeries.
- We worked alongside Parent Infant Foundation and Best Beginnings to launch our landmark Babies in Lockdown report which revealed the chronic under resourcing of services for families in babies early years and the worsening forecast due to the pandemic. More recently our 'Home is Where we Start from' report has detailed the devastating impact of lockdown and how it left families feeling isolated, worried about their child's development and concerned about their finances.
- We secured £750k from the DCMS and £150k from the Scottish Government Winter Plan which we redistributed via our network to fund vital services for families affected by loneliness and isolation over the summer and winter periods.
- On our national website and social media channels we published a range of really popular on line activities and information for families to help them stay connected and feel supported during the various lockdowns.
- We worked with DCMS and the Pears Foundation on a £1,116k programme of work to ensure the sustainability of local Home-Starts during the pandemic – work that will continue throughout 2021/22.

Trustees' annual report

For the year ended 31st March 2021

- At Christmas, our Give a Little Love Christmas partnership with John Lewis/Waitrose helped local Home-Start staff and volunteers reach over 13,414 people with a raft of essential emotional and practical support – from regular calls and zoom sessions to door step visits, warm winter coats, toys, books and fun activities for the children. The additional profile from in store displays and TV/social media campaigns has raised enormous interest and support for our work and we were delighted to see an additional 1,300 volunteer enquiries come through over the Christmas period alone.

After five years in the role (and eight years before that at Home-Start Richmond) I will be retiring as chair of trustees in September, and so this is my final annual report. I am very proud of my time with Home-Start UK, and believe a huge amount has been achieved during that time, especially in terms of our own sustainability.

I know Lin Hinnigan, my successor, will continue the important stewardship of our work to meet the needs of families across the UK and very much look forward to shouting encouragement from the side-lines. She will also enjoy, as I have, the support of trustees and staff committed to the goals of helping families recover and move forward from this pandemic. I am sure she will also enjoy, as I have, the warmth of the welcome from local Home-Starts, and the feeling whenever you visit that this is somewhere where families are helped to realise their potential and optimise their children's future.

Felicity Clarkson CBE
Chair of Trustees

Introduction

The board of trustees presents its report and the audited financial statements for the year ended 31 March 2021. Reference and administrative information set out on pages 11-12 forms part of the report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, the requirements of a directors' report as laid down by company law, and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Purpose

Home-Start was set up in 1973 with its charitable objects as set out with the Charity Commission, for the relief of children or parents in despair and distress and the prevention of emotional, physical and mental abuse of such children. Home-Start believes that children need a happy and secure childhood and that parents play the key role in giving their children a good start in life and helping them achieve their full potential.

Vision

For every parent to have the support they need to give their children the best start in life.

Mission

To provide volunteer-led support, friendship and practical help to families with young children in local communities across the UK network.

Our story

A child's earliest years are irreplaceable. Without a stable, loving and nurturing environment, a very young child will not develop the vital foundations they need.

Home-Start is there for parents when they need us the most, because childhood can't wait.

Our local community network of trained volunteers and expert support helps families with young children through their challenging times.

Why we do it

The earliest years make the biggest impact. Home-Start makes sure those years count so that no child's future is limited.

How we do it

Home-Start offers no judgement, just compassionate, confidential help and support. Starting in the home, our approach is as individual as the people we're helping. Today and every day, in communities up and down the UK, Home-Start volunteers are working alongside families, helping them to change their lives for the better.

From Orkney to Guernsey and Enniskillen to Great Yarmouth, families are benefitting from the support of Home-Start's network of community-based volunteers and expert support. We're tackling some of the big issues facing families today, with more families than ever coming to us because they are struggling with:-

- Mental health and wellbeing
- Loneliness and isolation
- Building supportive, nurturing, loving relationships with their children
- Money worries and financial pressure.

Our strategy

Our work in 2020-21 was dominated by the coronavirus pandemic and need to make sure we got support out to families when they needed it most.

As the pandemic took hold, we saw social distancing and isolation placing enormous strain on families. Those with additional pressures such as poor mental health, financial pressures and living in inadequate housing were hardest hit. During the year, over 9,000 Home-Start volunteers, gave over 323,000 hours of support to families, delivering groceries and essential supplies, providing emotional and social support, running on line sessions and working with a range of community partners to support over 22,000 families and 44,000 children.

Throughout the year Home-Start UK has worked hard to make sure local Home-Starts have stayed connected and continued to offer families the support they've needed. This work has included:

- Our COVID-19 emergency appeal raised over £178,000, to reach families in communities across the UK, with emergency supplies such as baby goods and food and care packages for families in critical need. The appeal helped local Home-Starts to set up and run new online groups and support sessions, and ensured dozens of local Home-Starts had the vital equipment they needed to stay connected and support families. Joint funding from the Scottish Government and STV Children's Appeal of £150,000 helped us get food parcels, electricity vouchers, activity packs and supermarket vouchers out to families across Scotland.
- We have held webinars, published new on line resources and hosted practice sharing sessions for local Home-Start staff and trustees. Sessions have included emergency governance and trustee Covid-19 advice, new on-line volunteer recruitment and training resources, on-line safeguarding training, well-being workshops and training on how to run online meetings and manage remote working.
- As levels of loneliness and anxiety amongst families grew, we secured funding of £750,000 from the Department for Digital, Culture, Media and Sport (DCMS) and a grant of £150,000 from the Scottish Government winter fund to ensure over 2,600 parents most at risk across England and Scotland had access to continued Home-Start support.
- With fundraising events cancelled and many normal fundraising activities suspended, a number of local Home-Starts were facing big financial challenges. A generous package of support of £500,000 from the Pears Foundation with match funding from the DCMS allowed us to stabilise local Home-Starts most at risk. The funding also enabled us to deploy a team of associate fundraisers to build longer-term financial capacity in the network. We were grateful for a grant of £100,000 from The Brook Trust together with a further £100,000 from the Pears Foundation for a similar package of support for Home-Starts in Wales, Northern Ireland and Scotland.
- Our three-year National Lottery Community Fund 'Power Up' project ended this year. The funding had previously provided Home-Starts with income generation, business planning, organisational design, consortia development and merger support. The third and final year included an additional £498,000 Covid-19 emergency grant, enabling us to continue our vital work revitalising the network and powering greater impact for families through the pandemic.

Throughout the year we worked closely with a range of partners and external organisations to raise awareness of the needs of families and build wider support for our work

- Our partnership with John Lewis Partnership (JLP) and FareShare was an enormous opportunity for the two charities to work with one of the nation's most iconic brands on its Give A Little Love campaign (GALL) that tapped into the spirit of generosity in communities at Christmas. JLP featured the campaign and promoted the charity's work on its iconic Christmas TV advert; across its on-line channels, a range of GALL merchandise available in all JL and Waitrose stores and ran a powerful social media campaign that drove customer engagement through stories of GALL in action. There were over 363 million chances to view the advert and visits to our website increased by 52% during the campaign. The campaign raised just under £900,000 for the network and created 1,200 potential new supporters and 1,300 new volunteer enquiries. 2,000 articles in newspapers and online represented an estimated value of £3m.
- At the start of 2021, John Lewis and Waitrose pledged to continue their efforts with a raft of initiatives designed to provide nutrition, warmth and comfort for families over the third lockdown and beyond. A further £300,000 (Give a Little Love 2), was distributed to local Home-Starts to provide fuel tokens, care packages, food parcels, data, technology and online support. We have also worked with JLP to distributed 5,000 items of warm clothing to families during winter and we continue to build this new partnership with a series of new initiatives in 2021.
- In September 2020, Peter Grigg, Home-Start UK CEO chaired a round table meeting with the Duchess of Cambridge and six other charities to emphasise the importance of peer-to-peer support for parents. Afterwards the Duchess of Cambridge visited a local London park and met two mums supported by Home-Start Wandsworth who shared their experiences of how Home Start volunteers helped them overcome the challenges they faced during lockdown. Home-Start UK was featured in the Royal Foundation report into early years, published in November 2020, with a mum supported by Home-Start Richmond, Kingston & Hounslow who explained how isolation and worries about her partner being furloughed during the pandemic created anxiety for her.
- For those who had babies during the COVID-19 pandemic, the ramifications of lockdown have been severe, leaving parents without the usual face-to-face support network of health visitors, family and friends to help them. To capture the experiences of parents giving birth during lockdown, Home-Start, in collaboration with Best Beginnings and the Parent-Infant Foundation, conducted an online survey of over 5,000 parents. The findings, detailed in our report 'Babies in Lockdown', highlight a range of issues parents have faced, including increased mental health concerns, difficult birthing experiences, dads and other co-parents being excluded from the pregnancy journey and digital health appointments leaving some women feeling exposed and humiliated.
- In other collaborations:
 - Our Growth Fund continues to support expansion into new areas and to increase impact with families. We continued governance and funding support for Home-Start Exeter & East Devon to expand into Mid Devon and support for Home-Start Southwark to extend into the London borough of Lewisham.
 - The Army Central Fund supported a small grants scheme for local Home-Starts working with armed forces families. 12 local Home-Starts received grants of up to £5,000 each with their support.

Trustees' annual report

For the year ended 31st March 2021

- Dulverton Trust supported our early years' development work across the network.
 - Funding from the Sylvia Adams Charitable Trust has enabled Home-Start UK to develop a network approach to perinatal mental health. New funding from the Rayne Foundation is supporting training on perinatal mental health and new funding from the Charles Gordon Foundation has allowed us to develop this work into Scotland by funding specialism in this work there.
 - 'Connecting from the Start', a project funded by the Kristian Gerhard Jebsen Foundation, aims to ensure trained support for 84 families across six London sites. With training developed by The Oxford Parent-Infant Project (Oxpi), we have trained 14 local Home-Starts to support new parents at risk of developing mental health issues during Covid-19.
 - Funding from Porticus UK, Henry Smith Charity and CAST has helped us build our on-line volunteering platforms and activity and to respond to volunteer enquiries and training needs during the pandemic.
 - A new partnership with The Royal Navy and Royal Marines Charity has not progressed as initially intended but local Home-Starts have instead been providing a central line for naval families as an alternative to face-to-face support.
 - Home-Start are just over halfway through a 5-year project to refresh and re-distribute our school readiness programme, Big Hopes, Big Future[®] supported by a £1m grant from the Masonic Charitable Foundation. Covid-19 meant we had to pause delivery of Big Hopes, Big Future[®] just one week after the first delivery of the refreshed version. Thanks to the flexibility of the Masonic Charitable Foundation and of local Home-Starts, 13 Home-Starts have just completed a year of providing a socially distanced offer of support to families with pre-school children.
 - The University of Newcastle evaluated the Nesta funded LENA early speech and language programme within a family support setting. The research has shown that children are hearing more words and families are making positive changes in their home environment making those early years count.
 - Home-Start UK led a collaboration with a network of 16 parent and baby charities called 'Connected from the Start' to support new and expectant parents during Covid-19. The result was parentpeopleboosts.org – a small gift of self-care and thanks to people supporting parents in communities across the UK that has been downloaded by over 3,000 people to date.
 - ChangeOut conducted a series of 13 in-depth interviews with key stakeholders as part of their support for our work on Equality, Diversity and Inclusion. Their findings will be used to inform Equality, Diversity and Inclusion actions at Home-Start UK.
- At the end of March 2021, the network moved away from Home-Start UK's MESH (Monitoring and Evaluation System Home-Start) to alternative data collection systems. The majority of local Home-Starts have chosen the recommended third-party Charitylog system to monitor and case manage their work and Home-Start UK has brokered a preferential package with supplier Dizions. In addition, Home-Start UK has developed a National Data Requirement (NDR) system to collect consolidated statistics from the network whichever database platform they have chosen.
 - Our Quality Assurance system ensures the quality of support offered to families by local Home-Starts is consistently high. Due to the pandemic, we postponed our standard face-to-face quality

assurance reviews and replaced them with work to support specific areas of including governance, sustainability, matching funding associates and follow up support after annual health checks.

- Sadly, due to local funding issues, we lost Home-Start Canterbury & Coastal in May 2020. Home-Start Bolton closed in June 2020 and Home-Start Derby decided to leave the network in March 2021. A number of local Home-Starts updated their names during the year to better reflect the areas they cover: Home-Start Deeside became Deeside, Alford & Strathdon, Home-Start Colchester became Colchester, Jaywick & Clacton, Home-Start Perth renamed to Perth & Kinross, Home-Start Oldham, Stockport & Tameside became Home-Start HOST and Home-Start Westminster became Westminster, Kensington & Chelsea and Hammersmith & Fulham.
- At the start of the pandemic, we paused work on the new Home-Start Agreement between Home-Start UK and local Home-Starts. We have now restarted this work and built a new central agreement around three main commitments: shared vision and values; quality and impact for families; and Home-Start's reputation and brand. We're currently developing a series of associated schedules which will become part of the Agreement from April 2022 alongside a new single strategic framework for the network.

Our plans for the future

We have shared our ambition with local Home-Starts to develop a single strategic framework for the Home-Start federation that builds a shared vision for families with common purpose and ambition. The Framework will enable coherence, alignment and set of shared priorities that are flexible enough to be adapted at local, regional and national levels in line with the priorities of local Home-Starts. This strategic development process commenced in November 2020 with a strategic stocktake to understand the domains of strategic choice that we should be examining across Home-Start UK and the network. The strategy process has been agreed and during 2021-22, the strategy will be developed and shared with the network and implemented from January 2022. Our work in this area is being supported by Lucent Consulting to facilitate the overarching process and provide strategic consultancy for content development.

Our three main priorities during 2021-22 focus on:-

- Keeping families connected during the pandemic
 - Securing resources to help meet the needs of families
 - Strengthening our ability to provide support to families during lockdown
 - Speaking out about the nature and effects of the pandemic on families and position Home-Start as a valuable part of the community based response effort
- Ensuring the resilience of the Home-Start network
 - Supporting the health and wellbeing of our network and Home-Start UK
 - Helping build sustainability of local Home-Starts and Home-Start UK
 - Building skills and capabilities among staff and volunteers and connections with each other
- Taking opportunities to 'build back better'
 - Considering how we can enhance our volunteer offer
 - Develop new relationships, partnerships with funders, supporters and coalitions
 - Progressing development of our strategic framework with our network
 - Examining areas of 'transformation' including digital, data, diversity and future workspace.

Meanwhile, activities being progressed/completed in 2021-22 will include:

- Continuing to work with the John Lewis Partnership (John Lewis and Waitrose) and our own local network to increase support for families through the new concept of 'Super Charged Communities'. This programme is building on the strengths of central and local assets and local relationships between Partners and local Home-Starts to make what's strong within Home-Start even stronger.
- Building a longer term strategic partnership with the John Lewis Partnership including Home-Start being featured on their Charity Christmas cards in 2021, plus partner engagement opportunities, currently in development.
- Following feedback from our network, over the next 12 months we will continue to develop our 'Volunteer Journey'; a circle of continuous feedback and evaluation of the journey a volunteer takes within Home-Start, to develop better peer support, more diversity, improved training, stronger communication and more flexibility.

Trustees' annual report

For the year ended 31st March 2021

- The continued rollout of Big Hopes, Big Future® in England and Wales. Face-to-face training in July 2021 will be delivered for 28 local Home-Starts on the school readiness programme funded by the Masonic Charitable Foundation.
- Continuing on the successful webinar programme during 2020-21, 244 local Home-Start staff and trustees have attended our programme of support in the first two months of 2021-22 including new webinars on returning to face-to-face work and the importance of self-esteem in the workplace.
- Home-Start UK launched materials for Volunteers' week in June 2021 encouraging all staff and volunteers across the network to get involved in celebrating volunteers during the week. Resources and ideas included a comment wall, twitter parties, volunteer voices day and virtual meet-ups.
- A Strategy and Transformation Group at Home-Start UK has been formed to support alignment and coherence with future strategy and transformation. They will hold accountability for digital transformation, people and culture and strategy development to build common, shared purpose and alignment.
- Continuation on the full review and update of the Home-Start Agreement, developing a central agreement focused on the relationship between Home-Start UK and the network.
- We will continue to source funding opportunities to support the network through grant funding, associate support and crisis funding during, and post, Covid-19.
- Home-Start in Scotland welcomed the announcement from the Deputy First Minister of initial investment into the 'Promise Fund' to support early intervention and prevention work in Scotland.
- Funding received in 2020-21 from the Scottish Children's Lottery will continue our work to support children in Scotland.
- 'Home is Where We Start from' Report, published in June 2021 by Home-Start UK with commissioned work from Critical Research. The main objective was to gather the experiences of parents with at least one child aged 0-5 years from a survey in April 2021. 1,238 responses were received from 125 local Home-Starts. The Report showed that twice as many low income families (under £16k pa) are not optimistic about life after lockdown compared with those earning more (over £30k pa). 57% of parents are concerned about their own wellbeing/mental health in the year ahead with 65% of parents particularly worried about their children's social development.
- Research will continue with ChangeOut through further interviews and group workshops with our work on Equality, Diversity and Inclusion. The trustee board will discuss the findings when the research has been completed.
- Recruitment for a new Chair of Trustees took place in the spring/early summer to ensure a replacement would be in place for our current Chair, Felicity Clarkson CBE, who is retiring in September 2021, alongside up to three additional trustees with experience and knowledge of transformation and change. A successful recruitment means that Lin Hinnigan will take over from Felicity from September.

- Volant Charitable Trust has donated £250,000 for 2021-22 for our Covid-19 reconnection project to help local Home-Starts to support their families to come out of lockdown and start to help families to reconnect with one another and their communities.
- Our work with funding from the Pears Foundation will continue in 2021-22 to support the sustainability of local Home-Starts.
- Under our digital transformation work, we will complete Enterprise Architecture mapping at Home-Start UK to visualise systems, processes and automation and identify areas of improvement.
- Our Home-Start intranet, @Home, has won 'Best Stakeholder' in the global Interact Excellence Awards 2021. This award is in recognition of Peter Grigg's engagement with @Home, including his weekly video updates that help to keep the Home-Start network connected and informed on news from Home-Start UK and the senior leadership team.
- In July 2021, BT announced Home-Start as their new UK Charity Partner. Home-Start and BT will be working together to tackle digital exclusion across the UK, mobilising BT's people, skills and expertise to close the digital divide and connect the whole Home-Start community. The partnership will equip families, volunteers and local Home-Starts with the '3Ds' – Digital Confidence, Data Connectivity and Devices. We're also encouraging BT employees to 'Play Your Part for Home-Start' and get involved in the volunteering and fundraising opportunities that will be another element of this exciting and transformational partnership.
- Studio is one of the largest online value retailers in the UK with over one million customers and thousands of staff. Following a launch in July 2021, the partnership will initially run for one year with a £75,000 minimum fundraising target (employee/employer matched) that will include a Pennies micro donation option for customers at checkout and a possible cause related marketing campaign.
- White Stuff launched their three year partnership with Home-Start in September 2020, donating £50,000 to Home-Start's COVID Emergency Appeal. The second year of the partnership will see their funding support a new Perinatal Infant Mental Health lead role. Later this year a specially designed Christmas T-Shirt will be sold online and in-store with all profits donated to Home-Start UK.
- Rescue Remedy is the UK's number one emotional wellbeing brand. An initial generous donation of £15,000 will fund a series of wellbeing films to support parents and volunteers. We will also be partnering on employee fundraising and engagement opportunities.

Reference and administrative information

Company number England and Wales: 5382181

Charity number England and Wales: 1108837, Scotland: SC039172

Registered office and operational address The Crescent, King Street, Leicester, Leicestershire LE1 6RX

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Deborah Bennett	(Resigned 22 nd June 2021)
Sheena Bolland	
Felicity Clarkson CBE	Chair (Retired 14 th September 2021)
Anna Corry	
Joanna Dennis FCCA	Treasurer
Barbara Firth	
Karen Graham	
Elizabeth Hill-Smith	
Lin Hinnigan	Chair (Appointed 14 th September 2021)
Anne Shevas	
Philip Sugarman	Vice Chair
Matthew Wigginton	(Resigned 22 nd June 2021)

Key Management Personnel	Peter Grigg	Chief Executive
	Vivien Waterfield	Deputy Chief Executive
	Pete Thomas	Chief Operating Officer
	Beckie Lang	Director of Network Impact (Appointed 1 March 2021)

Bankers National Westminster Bank plc
1 Granby Street
Leicester
LE1 6EJ

Solicitors

Farrer & Co LLP
66 Lincoln's Inn Fields
London
WC2A 3LH

Auditor

Sayer Vincent LLP
Chartered Accountants and Statutory Auditor
Invicta House
108-114 Golden Lane
London
EC1Y 0TL

Patron

HRH Princess Alexandra, The Hon Lady Ogilvy, KG, GCVO

Founder

Margaret Harrison CBE (1938-2015)

Honorary President

James Sainsbury OBE

Vice President

Alastair Stewart OBE

Ambassadors

Kirstie Allsopp
Lady Christine Eames OBE
Richard Lintern
Marcus Lyon
Lindsay Nicholson OBE
Lloyd Owen
Philip Price
Rosalind Riley
Flynn Sarler

Activities

Home-Start's beneficiaries are families struggling to cope with the stresses and strains of bringing up children in the face of mental and physical illness, poverty, homelessness, disability and other pressures. Home-Start UK seeks to support these families by providing support to a network of 185 independently run local Home-Starts. As a national federated charity, Home-Start UK provides a range of support for our local Home-Starts. We work closely with the network to support the growth and sustainability of the Home-Start service. We provide information and guidance to enhance the quality of our services and research to improve and influence the development of services for families. We support the smooth running of local Home-Starts, set and measure quality standards and provide training to make sure all our families get the same high standard of service. We also use our website and national presence to connect families and referrers to their local Home-Starts.

Public benefit

The board of trustees confirms it has complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit.

Organisational structure

Home-Start UK is a charity constituted as a company limited by guarantee in England and Wales, governed by a board of trustees. The Home-Start network consists of Home-Start UK together with 185 local Home-Starts, affiliated to Home-Start UK through a legal agreement. Local Home-Starts are separate charities in their own right and are responsible for their own financial affairs and statements. The total income of local Home-Starts is £34.4 million, which together with Home-Start UK's group income of £7 million gives the total Home-Start network income of £41.4 million.

Home-Start UK owns 100% of the issued equity share capital of Home-Start Consultancy Limited, a company incorporated in England. The subsidiary undertaking commenced trading during the year.

Governance and management

Our Board of Trustees, who are also Directors of the Charity for the purposes of the Companies Act, have overall responsibility for setting the strategy of the Charity. Our Chief Executive, working with the Senior Leadership Team is responsible for delivering the Board's vision and strategy and for its day-to-day operations.

When seeking to fill vacancies on the board, the trustees identify the particular skills and expertise needed to cover the work of the board and prioritise these during the recruitment process. In an attempt to increase the diversity of the board's membership we advertise widely for new trustees, and ensure, throughout the recruitment process, that all applicants from a wide variety of backgrounds have an opportunity to succeed.

A panel of trustees interview all prospective trustees to determine that they have the required skills to contribute to the charity's management and development. New appointments are ratified by the full Board of Trustees. Trustees serve for an initial term of three years, and subject to review and the approval of the board, may serve a second period of three years. When trustees are appointed, they are given a formal introduction to the work of the charity and the information they need to fulfil their roles as charity trustees and company directors. They also attend external training events, all staff events and an annual planning day with senior staff.

A Finance Sub Committee, with members with specific knowledge and experience in finance and fundraising, meet bi-monthly and report to the board. A National Committee in Scotland meets as

required. During 2021-22 a new Impact Sub Committee will be established to oversee issues of quality, impact and network development.

The charity provides third party indemnity insurance provision on behalf of the board of trustees.

Related parties and Home-Start Worldwide

Home-Start UK provides model operating policies, guidance and procedures for our network of 185 local Home-Starts.

Home-Start Worldwide sustains the development of Home-Starts across the world. In 2020-21 there were Home-Starts operating in 22 countries and five continents.

Home-Start UK owns 100% of the issued equity share capital of Home-Start Consultancy Limited, a company incorporated in England. Related party transactions during the year are shown in Note 19 in the group financial statements. Home-Start Consultancy Limited undertakes commercial activities on behalf of the parent company Home-Start UK.

Financial review

Financial position

The Consolidated Statement of Financial Activities shows net income for the year of £1,842K including a net gain on investments of £71K. Net incoming resources in unrestricted funds amounted to £1,039K and net incoming resources in restricted funds amounted to £803K.

For 2020-21, and before the pandemic, trustees agreed a budget deficit of £222K. This was based on building on the success of 2019-20 and a strategy to invest in a number of areas critical for impact and future sustainability such as data and digital transformation, fundraising and supporter care. As COVID-19 impacted on our core income streams initial forecasts for £2.6M of income and £2.8M of expenditure were radically changed as the pandemic took hold. By May 2020, disruption to core income streams reduced income forecasts to as low as £1.6M with, after deep expenditure controls, a forecast deficit of nearly £0.5M. We have been profoundly grateful to key funders and all of our supporters for coming to our aid at this time. This has allowed us to grow rather than shrink our support to local Home-Starts during a critical period and to do so with confidence.

Our income in 2020-21 was three times higher than in 2019-20, with an operating surplus of £1.7m. We are carrying forward £1.5M in restricted funds from the John Lewis partnership, statutory and grant funding for our work in 2021-22, alongside a further £300K in designated funds from the John Lewis Partnership. Controlled but agile grant processes have allowed us to target COVID support for tens of thousands of families and improve the local sustainability of dozens of Home-Starts. We have continued to build our capacity at Home-Start UK but done so in a sustainable way through fixed-term contracts, associates support and short-term consultancy.

Moving into 2021-22, as a result of such strong performance, the increasing depth and capacity of our staff team and the growing strength of our brand recognition, we are planning for the future with renewed confidence and optimism. The underlying approach for 2021-22 is to build on growth and maximise our chances of capitalising on a good financial year but to also act with prudence in relation to the underlying committed cost-base for the organisation.

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For the year ended 31st March 2021

In planning our budgets, we prepared three plausible scenarios for income and expenditure and, in line with board direction, have built the 2021-22 budget on the basis of our central middle 'target' scenario, which we regard as achievable but containing ambitious strength. An expenditure budget of £5.6m will be financed by an income budget of £5.4m (including £1.5m of funds brought forward from 2020-21). In this way, we can continue to push forwards and give ourselves the best chance of success without putting our long-term sustainability at risk.

The Group Balance Sheet as at 31 March 2021 shows an increase in net assets to £3,827K (2019-20: £1,985K), of which £1,498K (2019-20: £695K) represents restricted funds that must be expended on work specified by the donor. The balance of unrestricted funds of £2,329K (2019-20: £1,290K) is reported net of the liability on the pensions reserve at £192K (2019-20: £232K). The level of the pensions reserve is the net present value of agreed deficit recovery payments until 2025 as required under FRS 102.

Total income in 2020-21

Total income for the group for the year was £7,004K, an incredible 182% increase on the previous financial year (2019-20: £2,483K).

In 2020-21, income of £5,008K (2019-20: £2,215K) directly relates to charitable activities across the four key work streams of the current strategic plan. As detailed in Note 3 in the accounts, income from charitable activities comes from a mixture of government grants, a membership levy charged to local Home-Starts and support from trusts and foundations. This has been an unprecedented year with the support we have received from old and new supporters to ensure that our local Home-Starts have been supported and sustained to be there for their families during the pandemic. As well as continued support from many of our regular trusts and foundation supporters, a number of new funders supported our work during the pandemic.

We received 3% of our total income for the year, £244K, from government funding in England, Scotland and Northern Ireland for our core work in each country. This compares to £325K (13%) of the total income for the year in 2019-20. In addition, we have received a further £1,060k from government funding in England and Scotland to support our work during the pandemic supporting our families in a variety of ways.

As part of the Agreement between local Home-Starts and Home-Start UK, all local Home-Starts pay a membership levy to Home-Start UK. In return, they are entitled to use our intellectual property and in particular the name Home-Start. Home-Start UK offers support and services to local Home-Starts including provision of resources, information and guidance on family support, safeguarding children, volunteer recruitment, quality assurance, training and management. The nature and range of services varies from time to time to meet the needs of the network. In 2020-21, £593K in contributions (2019-20: £602K), was received from local Home-Starts providing 8% (2019-20: 24%) of Home-Start UK's total income, a huge achievement for local Home-Start during the pandemic. The levy is 2% of 90% of a local Home-Start's income from their previous financial year. During 2020-21, the levy was capped at £10,000 for individual local Home-Starts.

Income from donations in the year totalled £1,850K representing 26% of our total income (2019-20: £218K – 9%). Income is received from corporate partners, charity challenges, individual givers and charitable trusts for our work across the UK. The incredible increase is due to the generosity of old and new individual supporters through our Covid appeal during the first lockdown of the pandemic. A new corporate partnership with the John Lewis Partnership through a Christmas campaign initially and support through the winter to support local Home-Starts to support their families raising £1,200K. We also received £51K

from the government's Coronavirus Job Retention Scheme helping us, in the main, through the initial stages of the pandemic.

Total expenditure in 2020-21

Total operating expenditure was £5,218K (2019-20: £2,717K). 94% of this expenditure (2019-20: 89%) was applied directly to Home-Start UK's charitable activities. The increase in spend in charitable activities is influenced by the funding we receive under each of the four work streams, with the main increase under Network 2020. The main reason for this was a massive £2,949K of onward grant funding to local Home-Starts with £2,202K for crisis pandemic funds for local Home-Starts. Note 7 of the accounts outlines the grants made during the year.

One core activity of Home-Start UK is to create and broker funding opportunities for the wider Home-Start network. In this way, local Home-Starts are able to access funding only available nationally allowing local Home-Starts to support more families and develop their services. We target national funding applications to prioritise areas of work that will drive forward delivery of the strategic plan. Our own grant giving enables Home-Start UK to support local Home-Starts in delivering key services and developing them as sustainable organisations, thereby supporting our national strategic aims. Grants to local Home-Starts are secured from a range of other grant making organisations and are subject to a due diligence process. They are only committed once a bespoke grant agreement has been signed by the local board of trustees.

Aside from our grant making during the year, our staff and other costs totalled £2,270K (2019-20: £2,241K). A slight increase in our staff costs to handle our new corporate partnership and support our work during the pandemic was offset by reduced costs of travel and meetings. Investment in early 2021 in staffing levels, and potentially a resumption of face-to-face contact, will see this increase in 2021-22.

The cost of raising funds in the year represented the remaining 6% (2019-20: 11%) of operating expenditure.

In addition to operating expenditure, we recognised an increase of £15K (2019-20: increase £17K) in the Pensions Trust Growth Plan liability in the year. Total resources expended therefore amounted to £5,233K (2019-20: £2,734K).

Land and buildings

Our main office space is leased premises at The Crescent in Leicester. Our current lease on this office space lasts until August 2021.

In March 2020, in advance of the national lockdown, we shifted to remote working for all staff across the UK. While there are some limitations to remote working, this shift has been effective, but as lockdown eases, we are looking to work towards a mix of office and remote working. A review of future office requirements is underway so in the meantime we have extended the lease on our main suite to August 2022, our meeting room/office suite to February 2022 and given notice on the storage/resource suite to end in line with the original leases.

Investment policy

The Memorandum and Articles of Association give the trustees unrestricted powers of investment. The charity's current investment strategy is to deposit the majority of funds in short and medium term interest bearing accounts with UK banks and building societies. They consider the rate of interest received on deposit funds satisfactory in the current economic climate. During the year, the number of accounts has

Trustees' annual report

For the year ended 31st March 2021

remained the same as the previous financial year with deposits spread across a number of separate accounts, to reduce the risk not covered by the FSCS scheme.

We hold reserves principally as cash rather than in property. Trustees have determined that an estimated £850K is required to meet legal obligations and should be invested on a long-term but accessible basis. Following a tendering process in early 2018, we selected CCLA's COIF Charities Investment Fund and have placed investments on a staged basis since the summer of 2018. CCLA were chosen as a charity specialist investment manager with strong governance and a clear approach to responsible and ethical investments designed to reflect the nature of the charities they serve. During 2020-21, £200K was added to the Fund. Realised gains of £79K and unrealised losses of £8K during the year resulted in a net gain of £71K as at 31st March 2021. The balance in this Fund is £618K as at 31st March 2021 (2019-20: £347K). Further deposits or withdrawals will be made when trustees consider appropriate in the context of prevailing market conditions. As this investment is intended to be held in excess of one year, the investment fund has been classed as a Fixed Asset Investment on the Balance Sheet.

Our funders

Home-Start UK enjoys support from a wide range of funders. We take great care to ensure they receive the maximum value for every penny they give. We would like to thank all the organisations, corporate partners and individuals who have funded Home-Start UK during 2020-21 and we look forward to working with them in future years. We are grateful for their ongoing support, generosity and passion for Home-Start and the families we support together.

These include:

Amazon
Army Central Fund
Beatrice Laing Foundation
Brook Trust
CAST
Charles Gordon Foundation
Charles Russell Speechlys Foundation
Corra Foundation (Scotland)
Department for Digital, Culture, Media & Sport
DHSS Family Policy Unit (NI)
Don't buy me flowers
Dulverton Trust
George and Grace Hart Trust Fund
George Cadbury Fund
Harvey Charitable Trust
Headley Trust
Henry Smith Charity
InsideOut Living
Investec Wealth & Investment
Jazz Pharmaceutical
John Lewis Partnership
Kidley Limited
Kristian Gerhard Jebsen Foundation
Kiddi Caru Day Nurseries
Liz & Terry Bramall Foundation

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Masonic Charitable Foundation
National Lottery Community Fund
Nesta
Pat Newman Memorial Trust
Pears Family Charitable Foundation with DCMS
Porticus UK
Rayne Foundation
Richard Spencer Annual Giving Fund
Scottish Children's Lottery
Scottish Government
Softwire
STV Children's Appeal
Sylvia Adams Charitable Trust
Tedworth Charitable Trust
The Royal Navy and Royal Marine Charity
Vichai Srivaddhanaprabha Foundation Limited
Warburton's
White Stuff Foundation

Risk management and internal control

Home-Start UK operates a risk register reflecting its strategic plan and key operational risks. The strategic plan contains specific actions designed to mitigate all of the risks identified in the risk register.

Since Home-Start works with vulnerable children and families, we consider safeguarding/child protection the greatest area of inherent risk with our work. Home-Start UK has developed a comprehensive framework of consents, controls, policies and reviews to ensure local Home-Starts fulfil their safeguarding/child protection responsibilities and deal with any concerns rapidly and sensitively. Home-Start UK asks local Home-Starts to report data breaches and safeguarding reputational threats against set criteria. During 2019-21, a safeguarding review was undertaken to consider the criteria for local Home-Starts for reporting 'serious' incidents to the Charity Commission England and Wales/OSCR/Charity Commission NI. A Safeguarding Working Group is now in place who have developed a Safeguarding Action Plan.

As is true for most organisations COVID-19 has profoundly affected our ways of working but both Home-Start UK and the network have adapted extremely well. Services have moved online and processes have been re-shaped. In this context, the key change to risks for the organisation relates to increasing uncertainties around future income. At Home-Start UK this is somewhat mitigated through strong relationships with funders and growing awareness nationally of the needs of isolated families. Network income is more difficult to predict with significant variations occurring locally. Home-Start UK has successfully brokered over £2m for local Home-Starts in grant funding during 2020-21 with further support with a package of webinars on bid writing and the funding of fundraising associates to support local Home-Starts with their funding.

Our risk register is grouped under four key areas; Strategic, Reputational, Operational and Financial. At June 2021, our four main key risks were:-

- Reputational – a safeguarding or child protection issue, or failure of Home-Start UK, results in harm and loss of trust and reputation amongst key stakeholders.

Trustees' annual report

For the year ended 31st March 2021

- Reputational – inability to respond to the sector challenges around diversity and inclusion leaves Home-Start vulnerable to reputational criticism.
- Operational – our staff are unable to deliver our ambitions because of capacity, lack of skills, poor wellbeing, or burnout/disengagement.
- Financial – inability to secure future income in line with plans with funders, supporters and partners.

Remuneration policy

Prior to 1 April 2019, all staff except the chief executive were on pay scales set by the National Joint Council (NJC) with cost of living rises applied according to those set nationally. Home-Start UK has since detached from NJC pay scales and the Finance Committee, on behalf of the board, consider and set staff pay. A non-contractual health care provision was introduced for all staff as an additional benefit.

We review staff job descriptions annually as part of an annual appraisal process and the senior leadership team consider any proposals for amendments to roles and remuneration.

The Board sets the chief executive pay level taking into account pay levels in other similar sized charities. The Board also considers any proposed changes to roles and remuneration for executive staff on the senior leadership team. Trustees are entitled to claim expenses but do not receive any remuneration for their time. Trustee expenses are shown in Note 10 of the group financial statements.

Reserves policy and going concern

During the year the trustees have reviewed the level of reserves they believe are required to fund the work of Home-Start UK.

Free reserves are held to finance working capital requirements and are defined as unrestricted funds excluding fixed assets and designated funds. The target for free reserves has been set at £1,760K, which equates to 3.7 months of budgeted revenue expenditure. This is based on a calculated consideration of the working capital requirements necessary for different aspects of the organisation's expenditure (principally salaries, overheads and project expenditure where payment is often received in arrears). It also includes the lease commitments related to the Head Offices in Leicester, which run until 2022. Free reserves are monitored regularly through the monthly management accounts process.

At 31 March 2021, free reserves were £1,417K (2020: £1,023K). This equates to 2.9 months revenue expenditure (2020: 4.9 months). The trustees will continue to monitor reserves levels closely during the coming year.

At the end of 2020-21, three designated funds are in place in order to resource long-term expenditure requirements in identified areas:

- **Fixed Assets Fund** – The fixed asset fund represents all unrestricted funds invested in fixed assets net of any associated liabilities
- **Strategic Transformation Fund** – This new fund replaces the previous Strategic Delivery Fund and will support concerted progress against a multi-year transformation programme for the Home-Start network. Trustees decided to allocate £350K of the surplus in 2020-21 to supplement the residual balance of £235K transferred from the Strategic Delivery Fund. In the context of recovery from Covid-19 this new designated fund will ensure that our strategic progress is not undermined by short-term fluctuations in income levels.

- **Give a Little Love Fund** – This new fund represents unrestricted funds raised through the Christmas Campaign with the John Lewis Partnership, which will be used to support the network locally.

Subsequent to the review of reserves and to strategic planning work undertaken during the year, the trustees are satisfied that sufficient reserves are held to allow the charity to continue operating as a going concern. The trustee board considered and concluded there were no material uncertainties for Home-Start UK to continue operating for at least 12 months from the approval of this Annual Report following consideration of budgets, forecasts, cash flow projections, reserves and financing.

Fundraising regulator

Home-Start UK fully supports the self-regulation of fundraising and is committed to providing its supporters with the best possible levels of service.

Home-Start UK is a member of the Institute of Fundraising and registered with the Fundraising Regulator. We work within the guidelines and standards as set out by the Charity Commission and the Fundraising Regulator to ensure the protection of the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate.

Home-Start UK maintains a formal complaints procedure. During the year 2020-21, we received no complaints about fundraising carried out either by Home-Start UK or any third party on our behalf. On occasions where we have been notified of a donation that was intended for a local Home-Start having been sent to Home-Start UK in error we have forwarded the amount in question to the relevant local Home-Start in line with the donor's wishes.

Our directly employed fundraising team undertakes the majority of our fundraising work. However, because of the specialist nature of some of the work, we do from time to time work with external agencies for creative, digital and marketing support to help us communicate effectively with donors and potential donors. We require these contractors, as a minimum, to operate within the remit of the fundraising regulator TPS framework, the GDPR framework and our own fundraising guidelines and monitor each contract on an ongoing basis to make sure operators comply with these requirements. During 2020-21, there were no reported incidents in which a contractor did not operate to the required standard.

Protecting our data

We take the protection of our clients' data extremely seriously. We are particularly alert to potential cyber-attacks and other external threats and to the changing regulatory environment signalled by the introduction of the General Data Protection Regulation (GDPR). We implemented plans to support the introduction of the GDPR in May 2018 and Really Good Data Protection (RGDP) are our external Data Protection Officer.

Equality and diversity policy

Home-Start UK's goal is to be truly inclusive, benefit from diversity and appreciate everyone for their contribution and welcome and value difference. We treat everyone with respect and offer equal chances to participate.

Home-Start UK has high standards and we will investigate and take action on any reports of practice, which trustees, staff, volunteers or families believe to be unfair or discriminatory. Performance is checked through Home-Start Quality Assurance assessments and reviews.

Trustees' annual report

For the year ended 31st March 2021

We do regular surveys to measure our progress and use the results from these to inform future planning and targets. We fully comply with our obligations under the Equality Act 2010.

ChangeOut was brought in to support Home-Start UK's work on Equality, Diversity and Inclusion in late 2020, with the intention of feeding into the new strategy development process in 2021-22. This work was prompted by a renewed societal focus on racial justice, which requires every charity to consider its mission, values and operational delivery; and a desire to inform progress on diversity and inclusion for Home-Start UK and the wider federation as we enter into a strategic development period.

Employee information

Home-Start UK is committed to ensuring good communications and consultation with staff on matters of interest to them. We encourage informal consultation via a monthly coffee morning with the chief executive, and we consult staff formally on all matters that affect their interests. With COVID-19, all staff have been working remotely to ensure their safety. Via Zoom, staff are encouraged to participate in a daily catch up, attend a monthly all-staff meeting and regular support is offered through managers with the top priority being welfare. We completed a staff welfare questionnaire in June 2020 to address employee concerns around their future working environment, and, one year on, we are following on with an updated questionnaire exploring staff concerns around returning to an office base/visiting the central office in Leicester.

Personal development and staff wellbeing is part of our appraisal process and during the year a Home-Start Wellbeing Plan has been developed to encourage staff to set aside some time and pause for thought about their own mental health.

Statement of responsibilities of the trustees

The trustees (who are also directors of Home-Start UK for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the 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 Charities SORP
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Trustees' annual report

For the year ended 31st March 2021

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2021 was 11 (2019-20: 11). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The trustees' annual report was approved by the trustees on 14 September 2021 and signed on their behalf by the chair.

Felicity Clarkson CBE
Chair of Trustees

To the members of

Home-Start UK

Opinion

We have audited the financial statements of Home-Start UK (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- 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) Regulation 2006 (as amended)

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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.

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 Home-Start UK's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other Information

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

Independent Auditors' Report

To the members of

Home-Start UK

other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent charitable company financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or
- The directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

To the members of

Home-Start UK

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. 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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management, and the finance committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.

Independent Auditors' Report

To the members of

Home-Start UK

- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Fleur Holden (Senior statutory auditor)

14 October 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Income from:							
Donations	2	1,533,818	316,322	1,850,140	184,065	33,689	217,754
Charitable activities							
Network 2020	3	359,900	4,015,748	4,375,648	365,590	775,656	1,141,246
Share IT UK	3	178,256	184,727	362,983	191,642	69,698	261,340
Home-SPARK	3	59,345	46,690	106,035	69,836	45,072	114,908
Innovation Lab	3	6	163,200	163,206	2,016	695,978	697,994
Other trading activities	4	117,377	4,750	122,127	18,807	2,257	21,064
Investments	5	23,409	-	23,409	28,632	-	28,632
Total income		2,272,111	4,731,437	7,003,548	860,588	1,622,350	2,482,938
Expenditure on:							
Raising funds	6	142,425	178,466	320,891	270,814	34,589	305,403
Charitable activities							
Network 2020	6	844,665	2,995,415	3,840,080	295,064	709,076	1,004,140
Share IT UK	6	77,195	326,320	403,515	219,577	280,827	500,404
Home-SPARK	6	188,070	224,315	412,385	234,726	122,587	357,313
Innovation Lab	6	37,378	203,934	241,312	76,683	472,842	549,525
Subtotal of operating expenditure		1,289,733	3,928,450	5,218,183	1,096,864	1,619,921	2,716,785
Increase in pension liability	24	14,858	-	14,858	17,326	-	17,326
Total expenditure		1,304,591	3,928,450	5,233,041	1,114,190	1,619,921	2,734,111
Net income/(expenditure) before investment gains		967,520	802,987	1,770,507	(253,602)	2,429	(251,173)
Net gains on investments		71,355	-	71,355	3,756	-	3,756
Net movement in funds	9	1,038,875	802,987	1,841,862	(249,846)	2,429	(247,417)
Reconciliation of funds:							
Total funds brought forward		1,290,486	694,833	1,985,319	1,540,332	692,404	2,232,736
Total funds carried forward		2,329,361	1,497,820	3,827,181	1,290,486	694,833	1,985,319

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 26(a to d) to the financial statements.

Balance sheets

Company no. 05382181

As at 31 March 2021

	Note	The Group 2021 £	2020 £	The Charity 2021 £	2020 £
Fixed assets:					
Tangible assets	14	20,784	32,653	20,784	32,653
Listed investments	15a	618,453	347,098	618,453	347,098
Shares in group undertaking	15b	-	-	100	100
		639,237	379,751	639,337	379,851
Current assets:					
Stock	18	-	2,119	-	2,119
Debtors	19	1,718,303	590,370	1,744,538	590,370
Short notice deposits held for investment		1,407,205	1,005,741	1,407,205	1,005,741
Cash at bank and in hand		955,935	502,959	828,783	502,941
		4,081,443	2,101,189	3,980,526	2,101,171
Liabilities:					
Creditors: amounts falling due within one year	20	(753,817)	(314,937)	(751,767)	(314,937)
Net current assets		3,327,626	1,786,252	3,228,759	1,786,234
Total assets less current liabilities		3,966,863	2,166,003	3,868,096	2,166,085
Creditors: amounts falling due after one year	22	(139,682)	(180,684)	(139,682)	(180,684)
Total net assets		3,827,181	1,985,319	3,728,414	1,985,401
The funds of the charity:	26				
Restricted income funds		1,497,820	694,833	1,497,820	694,833
Unrestricted income funds:					
Designated funds		912,780	268,045	912,780	268,045
Pension reserve		(192,266)	(231,780)	(192,266)	(231,780)
Non-charitable subsidiary funds		98,767	(82)	-	-
General funds		1,510,080	1,254,303	1,510,080	1,254,303
Total unrestricted funds		2,329,361	1,290,486	2,230,594	1,290,568
Total funds		3,827,181	1,985,319	3,728,414	1,985,401

Approved by the trustees on 14th September 2021 and signed on their behalf by

Felicity Clarkson CBE
Home-Start UK, Chair of Trustees

Consolidated Home-Start UK

Consolidated statement of cash flows

For the year ended 31 March 2021

	Note	£	2021 £	£	2020 £
Cash flows from operating activities					
Net cash provided by/(used in) operating activities	27		1,031,031		(525,044)
Cash flows from investing activities:					
Interest from investments		23,409		28,632	
Purchase of investments		(200,000)		-	
Sale of investments		-		254,000	
Purchase of fixed assets		-		(2,102)	
Net cash (used in)/provided by investing activities			(176,591)		280,530
Change in cash and cash equivalents in the year			854,440		(244,514)
Cash and cash equivalents at the beginning of the year			1,508,700		1,753,214
Cash and cash equivalents at the end of the year	28		2,363,140		1,508,700

1 Accounting policies

a) Statutory information

Home-Start UK is a charitable company limited by guarantee and is incorporated in England and Wales, and Scotland. The registered office address and principal place of business is The Crescent, King Street, Leicester, LE1 6RX.

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These financial statements consolidate the results of the charity and its wholly-owned subsidiary Home-Start Consultancy Limited on a line by line basis. Transactions and balances between the charity and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two entities are disclosed in the notes of the charity's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The wholly-owned subsidiary became operational on 1st November 2020.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

In applying the financial reporting framework, the trustees have made a number of subjective judgments, for example in respect of significant accounting estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The nature of the estimation means the actual outcomes could differ from those estimates. Any significant estimates and judgments affecting these financial statements are detailed within the relevant accounting policy below.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

Key judgments that the charitable company has made which have a significant effect on the accounts include a calculation of the present value of agreed pension deficit recovery payment.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation 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. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, 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 services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank. Investment income is earned through holding assets for investment purposes. It may include dividends and interest. It is included when the amount can be measured reliably.

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies (continued)**i) Expenditure and irrecoverable VAT**

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.
- Network 2020 relate to the costs to modernise the Home-Start network with shared learning and advice on consortia and mergers and complete a full review of the Home-Start Agreement.
- Share IT UK relate to the costs to facilitate an exchange of ideas around new family support models and the latest in charity thinking and encourage advances in data collection and evaluation.
- Home-Spark relate to the costs to recruit new ambassadors, promote stronger funding relationships, drive greater awareness of Home-Start and refresh the Home-Start brand and corporate identity.
- Innovation Lab relate to the costs to secure funding to test and scale new evidence-based family support programmes, based on local as well as national innovations.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Grants payable

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Where directly attributable resources expended are allocated to the particular activity where the cost relates. Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure. Similarly where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

• Network 2020	37%
• Share IT UK	21%
• Home-SPARK	16%
• Innovation Lab	8%
• Cost of raising funds	18%

l) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

m) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £2,500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

• Fixtures and fittings	15%
• Computer Equipment	33%

n) Investments in subsidiaries

Investments in subsidiaries are at cost.

o) Fixed asset investments

Investments are a form of non-basic financial instrument and are initially recognised at their transaction value and subsequently measured at fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Net gains/(losses) on investments' in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

1 Accounting policies (continued)**p) Stocks**

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

q) Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

r) Short term deposits

Short term deposits includes cash balances that are invested in accounts with a maturity date of between 30 days and 12 months.

s) Cash at bank and in hand

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

t) Creditors and provisions

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.

u) Financial instruments

The charity has both basic and non-basic financial assets and financial liabilities. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value. Non-basic financial instruments are measured at fair value with any gain or loss going to the statement of financial activities. Full details are given in the financial instruments note.

v) Pensions

Home-Start UK makes contributions into a defined benefit pension scheme, which is now closed and a number of defined contribution schemes. The defined benefit scheme is a multi-employer scheme and it is not possible in the normal course of events to identify on a consistent and reasonable basis the share of underlying assets and liabilities belonging to individual participating employers. Home-Start UK has recognised its liability for past service deficits for this scheme and these are noted as a liability and in the pension reserve. The assets of the various schemes are held separately from those of Home-Start UK in independently administered funds. Employer contributions are charged in the Statement of Financial Activities as they fall due.

2 Income from donations

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Donations	257,567	68,243	325,810	184,065	33,689	217,754
Covid Appeal	12,500	248,079	260,579	-	-	-
Give a Little Love - Christmas Campaign	898,460	-	898,460	-	-	-
Give a Little Love 2	312,500	-	312,500	-	-	-
Coronavirus Job Retention Scheme	51,291	-	51,291	-	-	-
Legacies	1,500	-	1,500	-	-	-
	1,533,818	316,322	1,850,140	184,065	33,689	217,754

Donations

Income received from charitable trusts, corporate partners, charity challenges and individual givers for our work across the UK. A new corporate partnership with the John Lewis Partnership generated funds of £1.2m through a Christmas Campaign and further support through the winter to support local Home-Starts to support their families (details of grants made are shown in Note 7). During the first lockdown of the pandemic, Home-Start UK ran a Covid Appeal to our current individual supporters, trusts, foundations and corporate contacts raising £260k (details of grants made are shown in Note 7). Home-Start UK received £51k from the government's Coronavirus Job Retention Scheme.

3 Income from charitable activities

Funding is allocated to either the most relevant strategic workstream or, where appropriate, proportionally across multiple workstreams.

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
Network 2020						
Membership Levy	355,888		355,888	361,204	-	361,204
Corra Foundation (Scotland)	-	78,800	78,800	-	78,800	78,800
DHSS Family Policy Unit (Northern Ireland)	-	35,452	35,452	-	28,361	28,361
Department of Digital, Culture, Media and Sport	-	750,000	750,000	-	-	-
Scottish Government	-	310,250	310,250	-	-	-
Community Fund (various grants)	-	734,624	734,624	-	493,229	493,229
John Lewis Partnership - Supercharged communities	-	200,000	200,000	-	-	-
Support from trusts and foundations	4,000	1,906,622	1,910,622	-	175,266	175,266
Sales of material and publications	12	-	12	4,386	-	4,386
Sub-total for Network 2020	359,900	4,015,748	4,375,648	365,590	775,656	1,141,246
Share IT UK						
Membership Levy	177,944	-	177,944	180,602	-	180,602
Corra Foundation (Scotland)	-	49,250	49,250	-	49,250	49,250
DHSS Family Policy Unit (Northern Ireland)	-	4,727	4,727	-	3,782	3,782
Community Fund	-	124,500	124,500	-	-	-
Support from trusts and foundations	-	6,250	6,250	-	16,666	16,666
Training events	300	-	300	6,920	-	6,920
Sales of material and publications	12	-	12	4,120	-	4,120
Sub-total for Share IT UK	178,256	184,727	362,983	191,642	69,698	261,340
Home-SPARK						
Membership Levy	59,315	-	59,315	60,201	-	60,201
Corra Foundation (Scotland)	-	39,400	39,400	-	39,400	39,400
DHSS Family Policy Unit (Northern Ireland)	-	7,090	7,090	-	5,672	5,672
Support from trusts and foundation	-	200	200	-	-	-
Sales of material and publications	30	-	30	9,635	-	9,635
Sub-total for Home-SPARK	59,345	46,690	106,035	69,836	45,072	114,908
Innovation Lab						
Corra Foundation (Scotland)	-	29,550	29,550	-	29,550	29,550
Nesta Early Years Social Action Fund	-	-	-	-	90,719	90,719
Support from trusts and foundations	-	133,650	133,650	-	575,709	575,709
Sales of material and publications	6	-	6	2,016	-	2,016
Sub-total for Innovation Lab	6	163,200	163,206	2,016	695,978	697,994
Total income from charitable activities	597,507	4,410,365	5,007,872	629,084	1,586,404	2,215,488

3 Income from charitable activities (continued)**Membership Levy**

The membership levy is received from local Home-Starts who each contribute 2% of 90% of their income from the previous financial year in line with the Home-Start agreement. The levy is not a payment for specific services and the support of an individual local Home-Start does not vary according to the amount that they pay each year. During 2020-21, the levy was capped at £10,000 for individual local Home-Starts.

Government Grants

A grant was received from DHSS Family Policy Unit of £47,269 (2020: £37,815) for our work in Northern Ireland, an uplift of 25% to support our work during the pandemic. A grant was received from the Corra Foundation of £197,000 (2020: £197,000) for our work in Scotland. The Department for Digital, Culture, Media & Sport supported our work through a £750,000 grant (2020: £nil) to help mothers overcome loneliness during Covid-19. The Scottish Government supported our work during the pandemic totalling £310,250 (2020: £nil) for a winter support fund, enabling outdoor play for vulnerable families and family focus groups.

Support from the Community fund, corporate, trusts and foundations

Grants were received to support our work across the UK with continued support in specific areas across the UK. Continued support included our work in consolidating the network and to develop new evidence-based family support programmes with funding from the Big Lottery Fund of £149,544 (2020: £299,088) and our work in Greater Manchester of £182,500 (2020: £115,000). A number of trusts and foundations continued to support our work started in 2019-20: Dulverton Trust £38,550 (2020: £38,610) for our Early Years Development work, the roll out and development of Big Hopes Big Future® in England and Wales with funding from the Masonic Charitable Foundation of £336,727 (2020: £335,835), the Army Central Fund of £49,200 (2020: £49,200) for our work with army families and a new partnership with The Royal Navy and Royal Marines Charity for work with naval families, where we were awarded £98,000 in 2019-20.

A number of funders supported our work during the pandemic for direct support to local Home-Starts and to support Home-Start UK to continue to provide our support to them. Funders included the Community Fund, £498,000 (2020: £nil), an emergency response core grant for Home-Start UK, the Brook Trust £100,000 for grants to local Home-Starts and to support our leadership and the Scottish Childrens Lottery £25,000 supporting children in Scotland. A joint funding initiative from the Pears Foundation and the Department of Digital, Culture, Media & Sport of £1,116,245 was awarded as a Community Match Challenge grant targeted to support particularly vulnerable local Home-Starts to function during the pandemic and build back stronger.

Funders also supported our development work in perinatal mental health (Sylvia Adams Charitable Trust, Charles Gordon Foundation and Rayne Foundation), building our online volunteer community (Porticus), exploring our digital working (Henry Smith, CAST) and connecting from the start (Nesta and Kristian Gerhard Foundation).

As a result of a successful Christmas Campaign with the John Lewis Partnership, they have donated a further £200,000 in 2020-21, to explore local partnerships and relationships for local Home-Starts and their local stores in 10 locations.

4 Income from other trading activities

	Unrestricted	Restricted	2021 Total £	Unrestricted £	Restricted	2020 Total £
Fundraising events	-	-	-	7,240	2,257	9,497
Non-charitable subsidiary fund	105,960	-	105,960	-	-	-
Other	11,417	4,750	16,167	11,567	-	11,567
	<u>117,377</u>	<u>4,750</u>	<u>122,127</u>	<u>18,807</u>	<u>2,257</u>	<u>21,064</u>

5 Income from investments

	2021 Total £	2020 Total £
Bank Interest	11,176	10,996
Interest from fixed asset investments	12,233	17,636
	<u>23,409</u>	<u>28,632</u>

All income from investments is unrestricted.

Consolidated Home-Start UK

Notes to the financial statements

For the year ended 31 March 2021

6a Analysis of expenditure (current year)

	Charitable activities					Governance costs £	Central support costs £	2021 Total £	2020 Total £
	Cost of raising funds £	Network 2020 £	Share IT UK £	Home-SPARK £	Innovation Lab £				
Staff costs (Note 10)	189,978	427,581	194,990	180,084	112,445	61,767	63,412	1,230,257	1,188,470
Recruitment	24,265	18,185	380	1,149	480	21,560	15,335	81,354	26,595
Travel	-	107	42	40	103	-	1,237	1,529	97,529
Office Costs	23,893	52,876	44,239	37,931	15,790	3,822	71,537	250,088	272,117
Internal Meetings	-	-	-	-	-	-	-	-	14,351
Grants to local Home-Starts (Note 7)	-	2,887,340	23,275	-	38,000	-	-	2,948,615	475,845
Technical advice and support (Note 8)	-	284,648	56,698	122,036	21,501	-	27,555	512,438	445,041
Training and development	387	18,950	9,018	4,168	2,540	660	3,498	39,221	72,108
Depreciation and loss on disposal	2,011	4,020	1,946	1,710	887	325	970	11,869	12,163
Fundraising materials/events expenses	17,252	10,677	-	9,014	-	-	-	36,943	12,503
Audit fees/legal and professional	-	6,542	2,286	2,566	1,719	52,203	20,491	85,807	95,563
Evaluation, scaling & dissemination	-	-	-	-	20,062	-	-	20,062	4,500
	257,786	3,710,926	332,874	358,698	213,527	140,337	204,035	5,218,183	2,716,785
Central support costs	37,389	76,522	41,853	31,809	16,462	-	(204,035)	-	-
Governance costs	25,716	52,632	28,788	21,878	11,323	(140,337)	-	-	-
Total expenditure 2021	320,891	3,840,080	403,515	412,385	241,312	-	-	5,218,183	2,716,785
Total expenditure 2020	305,403	1,004,140	500,404	357,313	549,525	-	-	2,716,785	

Consolidated Home-Start UK

Notes to the financial statements

For the year ended 31 March 2021

6b Analysis of expenditure (prior year)

	Cost of raising funds £	Charitable activities				Governance costs £	Central support costs £	2020 Total £	2019 Total £
		Network 2020 £	Share IT UK £	Home-SPARK £	Innovation Lab £				
Staff costs (Note 10)	168,561	258,461	270,094	146,699	204,488	45,737	94,430	1,188,470	1,114,366
Recruitment	3,396	9,638	3,498	2,277	3,219	4,567	-	26,595	7,722
Travel	7,016	55,847	10,041	6,142	15,242	1,340	1,901	97,529	104,481
Office Costs	27,081	24,682	80,203	52,741	33,476	4,525	49,409	272,117	261,631
Internal Meetings	951	7,429	1,630	1,182	1,177	1,716	266	14,351	13,717
Grants to local Home-Starts (Note 7)	3,482	219,459	15,000	3,750	234,154	-	-	475,845	374,037
Technical advice and support (Note 8)	35,290	277,924	18,083	98,931	5,091	594	9,128	445,041	481,858
Training and development	201	46,395	13,681	4,268	5,651	127	1,785	72,108	79,457
Depreciation and loss on disposal	1,726	3,318	3,060	1,414	1,605	338	702	12,163	22,794
Fundraising materials/events expenses	10,020	2,141	137	205	-	-	-	12,503	17,640
Audit fees/legal and professional	-	2,595	438	640	1,050	62,525	28,315	95,563	76,811
Evaluation, scaling & dissemination	-	4,500	-	-	-	-	-	4,500	16,635
	257,724	912,389	415,865	318,249	505,153	121,469	185,936	2,716,785	2,571,149
Central support costs	28,839	55,496	51,134	23,628	26,839	-	(185,936)	-	-
Governance costs	18,840	36,255	33,405	15,436	17,533	(121,469)	-	-	-
Total expenditure 2020	305,403	1,004,140	500,404	357,313	549,525	-	-	2,716,785	2,571,149
Total expenditure 2019	356,465	874,112	524,281	291,554	524,737	-	-	2,571,149	

Notes to the financial statements

For the year ended 31 March 2021

7 Analysis of grants to local Home-Starts

	2021 £	2020 £
Grants to institutions		
Crisis pandemic funds for local Home-Starts (see breakdown below)	2,201,985	200
Home-Start service in Inverclyde	27,925	46,622
#GrowUpGreat (Home-Start Exeter & East Devon and Home-Start Southwark)	50,000	50,000
Supporting our service across Manchester (see breakdown below)	180,000	112,500
Bumps and beyond (Home-Start East Dorset)	-	8,610
Supporting work with service families (see breakdown below)	45,700	44,975
Upskilling volunteers in domestic violence and abuse	-	29,658
Big Hopes Big Future®	274,875	1,500
Good Ideas Fund (see breakdown below)	-	4,708
Sustainability of local Home-Starts to support families (funded by The Brook Trust)	27,300	-
Connecting from the Start in London (funded by Kristian Gerhard Foundation)	76,000	-
LENA Home	-	48,000
Digital mentoring elearning project	10,000	13,500
Home-Start Working Families Wales (see breakdown below)	-	111,703
Trustee recruitment/Strategic support/Family Focus Groups (funded by the Scottish Government)	19,450	-
Supporting young people in Scotland (funded by the Scottish Children's Lottery)	980	-
Family Support to naval families (funded by the Royal Navy & Royal Marines Charity)	15,100	-
Other	19,300	3,869
At the end of the year	2,948,615	475,845

Home-Start UK is instrumental in securing funding to pass on to local Home-Starts. These grants are distributed in line with the criteria of the funder. Applications are formally assessed by a panel. Central support costs are allocated as shown in Note 6. In total, 823 (2020: 98) grant payments to local Home-Starts were made during 2020-21.

Breakdown of material grants included in the above grants to institutions:-

	2021 £	2020 £
Crisis pandemic funds for local Home-Starts		
◦ Families Connected Emergency grant fund		
- 192 local Home-Starts received emergency funding to support their families	185,139	200
◦ Connecting with Families at Christmas		
- 139 local Home-Starts were able to provide Christmas activities/gifts to their families	116,702	-
◦ Caring for families during COVID		
- 128 local Home-Starts benefitted through small grants to support their families under the categories of Warm, Smile, Food, Connect and Access	481,249	-
◦ Supporting local Home-Starts to support families with isolation		
- 110 local Home-Starts were able to support their families during the	795,000	-
◦ Supporting local Home-Starts to support families during the pandemic		
- supporting 34 of the most vulnerable local Home-Starts to survive the pandemic	466,245	-
◦ Other		
- 30 local Home-Starts in Scotland were supported with winter funding and outdoor play	157,650	-
	2,201,985	200
Supporting our service across Manchester		
Home-Start Bolton	-	7,500
Home-Start Manchester	45,000	45,000
Home-Start Oldham, Stockport & Tameside	60,000	33,750
Home-Start Rochdale	30,000	15,000
Home-Start Trafford	45,000	11,250
	180,000	112,500
Home-Start Working Families Wales		
12 grants to local Home-Start in Wales	-	111,703
	-	111,703
Good Ideas Fund		
Home-Start Hertfordshire	-	2,958
Home-Start Renfrewshire	-	1,750
	-	4,708
Supporting work with Service families		
Various Home-Start schemes (12 grants each up to £5,000)	45,700	44,975
	45,700	44,975

Notes to the financial statements

For the year ended 31 March 2021

8 Analysis of technical advice and support

	2021 £	2020 £
Technical advice and support		
Network development	163,401	248,760
Brand design, development and launch	-	47,672
Corporate/individual giving review/campaign development	-	34,993
PR and communications	24,407	53,200
Home-Start Agreement	-	27,686
Corporate partnership development	183,163	-
Strategy and policy development	42,519	-
Digital, data and technology development	42,892	9,128
To support funded projects	42,680	10,294
Other	13,376	13,308
	512,438	445,041

Home-Start UK uses technical advice, support and expertise to assist in strategic development as part of externally funded projects and to provide targeted expenditure in key areas such as strategic development, digital development, building corporate partnerships and supporting network development using freelance, interims via agencies and consultancy.

9 Net income/(expenditure)

This is stated after charging /(crediting):

	2021 £	2020 £
Depreciation	11,869	12,163
Operating lease rentals:		
Property	37,726	54,938
Other	768	753
Auditors' remuneration (excluding VAT):		
Audit	15,000	12,000
Other services	1,520	-

10 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	1,045,542	991,789
Redundancy costs paid and settled	2,674	17,325
Termination costs paid and settled	-	5,000
Social security costs	102,127	96,026
Employer's contribution to defined contribution pension schemes	79,914	78,330
	1,230,257	1,188,470

The redundancy and termination costs were settled and paid at the balance sheet date.

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021 No.	2020 No.
£90,000 - £99,999	1	-
£80,000 - £89,999	1	-
£70,000 - £79,999	1	-
£60,000 - £69,999	-	2

The total employee benefits including pension contributions and employer's national insurance of the key management personnel were £314,738 (2020: £219,569).

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

Trustees' expenses represents the payment or reimbursement of travel and subsistence costs totalling £nil (2020: £4,505) incurred by 0 (2020: 11) members relating to attendance at meetings of the trustees.

Notes to the financial statements

For the year ended 31 March 2021

11 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2021 No.	2020 No.
Raising funds	4.9	4.4
Network 2020	10.0	8.4
Share IT UK	5.0	7.7
Home-SPARK	4.2	3.6
Innovation Lab	2.2	4.0
Central support costs	1.4	1.8
Governance	0.8	0.8
	28.5	30.7

The number of employees calculated on the basis of full-time equivalents at the end of the year was 29.0 (2020: 24.8).

12 Related party transactions

Our honorary president, James Sainsbury OBE, is also a trustee of The Headley Trust and The Tedworth Charitable Trust. The Headley Trust made a grant of £20,000 (2020:£25,000) towards our emergency appeal to support local Home-Starts and The Tedworth Charitable Trust made 2 grants totalling £45,000 (2020: £nil), £20,000 towards Covid-19 related work with local Home-Starts and £25,000 towards core services in 2021-22. There were no outstanding balances due to or from related parties at 31st March 2021. (2020: £nil). James Sainsbury OBE receives no benefit from the grants made to the charity.

Home-Start UK received donations totalling £762 (2020: £1,281) from 2 trustees (2020: 2 trustees). The trustees receive no benefit from the donations made to the charity.

Deborah Bennett, trustee of Home-Start UK, is also a trustee of Home-Start South Leicestershire, which received £13,164 (2020:£nil) during the year. The £13,164 comprised grant payments through appeal emergency funding of £657, connecting families grant of £7,666, connecting with families at Christmas of £881 and Give a Little Love grant of £3,960.

Elizabeth Hill-Smith, a trustee of Home-Start UK, is also a volunteer of Home-Start Waverley, which received £21,580 (2020:£nil) during the year. The £21,580 comprised grant payments of £15,000 for supporting loneliness during the pandemic, £1,620 in emergency grant funding, connecting families grant of £1,000 and £3,960 Give a Little Love grant.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

13 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

The charity's trading subsidiary Home-Start Consultancy Limited distributes under Gift Aid available profits to the parent charity. Its charge to corporation tax in the year was:

	2021 £	2020 £
UK corporation tax at 19%	-	-

Notes to the financial statements

For the year ended 31 March 2021

14 Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
The group and charity Cost			
At the beginning of the year	57,741	129,019	186,760
Additions in year	-	-	-
At the end of the year	57,741	129,019	186,760
Depreciation			
At the beginning of the year	32,181	121,926	154,107
Charge for the year	7,369	4,500	11,869
At the end of the year	39,550	126,426	165,976
Net book value			
At the end of the year	18,191	2,593	20,784
At the beginning of the year	25,560	7,093	32,653

All of the above assets are used for charitable purposes.

15a Listed investments

	The group 2021 £	2020 £	The charity 2021 £	2020 £
Fair value at the start of the year	347,098	597,342	347,098	597,342
Additions at cost	200,000	-	200,000	-
Disposal proceeds	-	(254,000)	-	(254,000)
Net gain/(loss) on change in fair value	71,355	3,756	71,355	3,756
Fair value at the end of the year	618,453	347,098	618,453	347,098
Investments comprise:				
COIF Charities Investment Fund	618,453	347,098	618,453	347,098
	618,453	347,098	618,453	347,098

15b Shares in group undertaking

	2021 £	2020 £
Cost at 1 April 2020 and 31 March 2021	100	100

Home-Start UK owns 100% of the issued share capital of Home-Start Consultancy Limited. The company was dormant during the previous financial years and became operational during the current year.

16 Subsidiary undertaking

The charity owns the whole of the issued ordinary share capital of Home-Start Consultancy Limited, a company registered in England. The company number is 02810260. The registered office address is The Crescent, King Street, Leicester, LE1 6RX. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are distributed under Gift Aid to the parent charity. The trustees Felicity Clarkson CBE, Joanna Dennis FCCA, Philip Sugarman and Matthew Wigginton, along with Vivien Waterfield Deputy CEO, are also directors of the subsidiary.

A summary of the results of the subsidiary is shown below:

	2021 £	2020 £
Turnover	105,960	-
Cost of sales	-	-
Gross profit	105,960	-
Administrative expenses	(7,111)	-
Profit on ordinary activities before interest and taxation	98,849	-
Profit on ordinary activities before taxation	98,849	-
Taxation on profit on ordinary activities	-	-
Profit for the financial year	98,849	-
Retained earnings		
Total retained earnings brought forward	18	18
Profit for the financial year	98,849	-
Total retained earnings carried forward	98,867	18
The aggregate of the assets, liabilities and reserves was:		
Assets	127,152	18
Liabilities	(28,285)	-
Reserves	98,867	18

Amounts owed to/from the parent undertaking are shown in note 19.

Included within administrative expenses above is a management charge of £2,070 (2020: £nil) from the parent entity.

17 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2021 £	2020 £
Gross income	6,899,658	2,482,938
Result for the year	1,743,013	(247,417)

Notes to the financial statements

For the year ended 31 March 2021

18 Stock

	The group 2021 £	2020 £	The charity 2021 £	2020 £
Material and publications for sale	-	2,119	-	2,119
	-	2,119	-	2,119

Home-Start UK launched a new brand and corporate identity during 2020. Local Home-Starts can now access a new on-line brand centre, designed to make it easier to customise and order local brand materials, which is reflected in the reduction in stock levels of old materials and publications in 2020 and remaining stock written off in 2020-21.

19 Debtors

	The group 2021 £	2020 £	The charity 2021 £	2020 £
Trade debtors	30,374	13,843	30,374	13,843
Accrued income	1,587,280	510,872	1,587,280	510,872
Other debtors	32,440	9,168	32,440	9,168
Prepayments	68,209	56,487	68,209	56,487
Amounts due from group undertaking	-	-	26,235	-
	1,718,303	590,370	1,744,538	590,370

The accrued income amount of £1,587,280 (2020: £510,872) includes £336,727 (2020: £335,835) from the Masonic Charitable Foundation as part of a five year programme intended to support 3,000 children through our Big Hopes Big Future® school readiness programme and £600,000 (2020: £nil) from a joint initiative from the Pears Foundation and the Department of Digital, Culture, Media and Sport for targeted support to vulnerable local Home-Starts to 'build back stronger' following the pandemic. In addition, of £512,500 (2020: £nil) from the John Lewis Partnership represents the remainder of the Give a Little Love grant funding of £300,000, £12,500 Community Matters and £200,000 towards our work at a local level with supercharged communities.

20 Creditors: amounts falling due within one year

	The group 2021 £	2020 £	The charity 2021 £	2020 £
Trade creditors	125,873	21,692	125,873	21,692
Taxation and social security	58,509	29,048	58,509	29,048
Other creditors	25,189	10,041	25,189	10,041
Accruals	91,162	70,036	89,112	70,036
Grants payable	82,523	6,347	82,523	6,347
Grant commitments	313,409	106,750	313,409	106,750
Pension deficit	52,584	51,096	52,584	51,096
Deferred income (note 19)	4,568	19,927	4,568	19,927
	753,817	314,937	751,767	314,937

The Trade Creditors amount of £208,936 (2020: £28,039) includes £82,043 (2020: £6,347) in onward grants to local Home-Starts. Grants commitments of £313,409 (2020: £106,750) includes onward committed grants to local Home-Starts from the Community Fund Greater Manchester £90,000 (2020: £78,750), the Growth Fund £32,800 (2020: £28,000), Give a Little Love 2 £18,672 (2020: £nil) and the Masonic Charitable Foundation for Big Hopes Big Future® £171,938 (2020: £nil).

21 Deferred income

Deferred income comprises funds held on behalf of local Home-Starts for future events.

	The group 2021 £	2020 £	The charity 2021 £	2020 £
Balance at the beginning of the year	19,927	2,072	19,927	2,072
Amount released to income in the year	(19,927)	(2,072)	(19,927)	(2,072)
Amount deferred in the year	4,568	19,927	4,568	19,927
Balance at the end of the year	4,568	19,927	4,568	19,927

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22 Creditors: amounts falling due after one year

	The group 2021	2020	The charity 2021 £	2020 £
Pension deficit	139,682	180,684	139,682	180,684
	139,682	180,684	139,682	180,684

23 Financial instruments

	2021 £	2020 £
Financial assets measured at fair value through profit and loss		
Investments	618,453	347,098
Financial liabilities measured at fair value through profit or loss		
Defined pension scheme liability	(192,266)	(231,780)

24 Pension scheme

The Pensions Trust - Growth Plan ("the scheme")

The company participates in the scheme, a multi-employer scheme which provides benefits to some 950 non-associated participating employers. The scheme is a defined benefit scheme in the UK.

It is not possible for the company 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 scheme is classified as a 'last-man standing arrangement'. Therefore the company 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.

A full actuarial valuation for the scheme was carried out at 30 September 2017. This actuarial valuation showed assets of £794.9m, liabilities of £926.4m and a deficit of £131.5m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions of £11,243,000pa of which Home-Start's contribution was £52,788 pa, payable monthly and increasing by 3% each on 1st April.

A new actuarial valuation for the scheme was carried out at 30 September 2020. The full implications of this new valuation for Home-Start UK's are still to be confirmed. The overall position for the scheme has been published and shows a reduction in the deficit to £33.3m (2020: £131.5m), in part due to a change in the accounting treatment for the running costs of the scheme. Indications are that Home-Start UK's share of deficit repayments will fall by up to two thirds while the newly separated administration costs for the scheme will in future be paid separately and equate to roughly half of this reduction. As the impact of the new valuation remains uncertain and the effect on these financial statements would be immaterial no adjustment has been made to the 2020/21 financial statements.

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 the scheme is in deficit and where Home-Start UK has agreed to a deficit funding arrangement, Home-Start UK recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The amount recognised includes the unwinding of the discount used to calculate the net present value.

Home-Start UK ceased to provide this defined benefit scheme with effect from January 2009, with most of the members switching to the defined contribution scheme. Home-Start UK contributed £54k to the past service deficit of the defined benefit scheme in the year (2020: £53k) and will continue to contribute annually until 2025 subject to changes in deficit contributions once confirmed.

For the year ended 31 March 2021**25a Analysis of group net assets between funds (2020/21 - current year)**

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	20,784	-	20,784
Investments	618,453	-	-	618,453
Net current assets	937,810	891,996	1,497,820	3,327,626
Long term liabilities	(139,682)	-	-	(139,682)
Net assets at 31 March 2021	1,416,581	912,780	1,497,820	3,827,181

25b Analysis of net assets between funds (2019/20 - prior year)

	General unrestricted £	Designated £	Restricted £	Total funds £
Tangible fixed assets	-	32,653	-	32,653
Investments	347,098	-	-	347,098
Net current assets	856,027	235,392	694,833	1,786,252
Long term liabilities	(180,684)	-	-	(180,684)
Net assets at 31 March 2020	1,022,441	268,045	694,833	1,985,319

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26a Movements in restricted funds (2020/21 - current year)

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Amazon	-	10,000	(10,000)	-	-
Anonymous	20,000	-	(20,000)	-	-
Army Central Fund	-	49,200	(49,200)	-	-
Beatrice Laing Foundation	-	12,500	(12,500)	-	-
Big Lottery Fund - consolidation project	91,245	149,544	(231,389)	-	9,400
Big Lottery Fund - investing in communities	-	29,080	(29,080)	-	-
Big Lottery Fund - Covid19 emergency response grant	-	498,000	(498,000)	-	-
Big Lottery Fund - Greater Manchester project	1,250	182,500	(182,500)	-	1,250
Brook Trust	-	100,000	(39,873)	-	60,127
CAST	-	10,000	(10,000)	-	-
Charles Gordon Foundation	-	60,000	(2,275)	-	57,725
Corra Foundation	-	197,000	(197,000)	-	-
Department for Digital, Culture, Media & Sport	-	750,000	(750,000)	-	-
DHSS & PS Northern Ireland	-	47,269	(47,269)	-	-
Dulverton Trust	-	38,550	(38,550)	-	-
Garfield Weston	7,000	-	(7,000)	-	-
George & Grace Hart Charitable Trust	-	714	(714)	-	-
Growth Fund	25,000	25,000	(50,000)	-	-
Harvey Charitable Trust	-	1,000	(1,000)	-	-
Headley Trust	-	20,000	(20,000)	-	-
Help Us Keep Families Connected	30,585	92,579	(123,164)	-	-
Henry Smith	-	20,000	(8,189)	-	11,811
Home-Start Bolton	-	4,750	(4,750)	-	-
Home-Start Greater Manchester	7,601	487	(2,912)	-	5,176
John Lewis Partnership - Supercharged communities	-	200,000	(3,450)	-	196,550
Kristian Gerhard Jebsen Foundation	-	100,000	(78,181)	-	21,819
Liz & Terry Bramall Foundation	-	18,000	(18,000)	-	-
Margaret Harrison Travel Scholarship	7,449	42	-	-	7,491
Masonic Charitable Foundation	363,185	336,727	(352,698)	-	347,214
Nesta LENA	20,000	-	(20,000)	-	-
Nesta	-	15,000	(15,000)	-	-
NI development	13,491	-	(3,993)	-	9,498
Pat Newman Memorial Trust	-	2,000	(2,000)	-	-
Pears Family Charitable Foundation with DCMS	-	1,116,245	(516,245)	-	600,000
Porticus UK	-	80,000	(37,783)	-	42,217
Rayne Foundation	-	37,000	(5,143)	-	31,857
R S MacDonald Charitable Trust - digital technology	6,377	6,000	(10,800)	-	1,577
Royal Navy & Royal Marines Charity	97,850	(24,500)	(42,461)	-	30,889
Scottish Children's Lottery	-	25,000	(980)	-	24,020
Scottish Government - Winter Fund	-	150,000	(150,000)	-	-
Scottish Government - Family Focus Groups	-	1,750	(1,750)	-	-
Scottish Government - Outdoor Play	-	8,500	(8,500)	-	-
Scottish Government - Winter Support Fund	-	150,000	(150,000)	-	-
SCVO	1,800	-	(1,800)	-	-
STV	2,000	2,000	(4,000)	-	-
Sylvia Adams Charitable Trust	-	49,500	(35,301)	-	14,199
Tedworth Charitable Trust	-	20,000	(20,000)	-	-
Tedworth Charitable Trust	-	25,000	-	-	25,000
Vichai Srivaddhanaprabha Foundation Limited	-	25,000	(25,000)	-	-
Warburtons	-	40,000	(40,000)	-	-
White Stuff Foundation	-	50,000	(50,000)	-	-
Total restricted funds	694,833	4,731,437	(3,928,450)	-	1,497,820

26b Movements in restricted funds (2019/20 - prior year)

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
1st International Congress	-	167	(167)	-	-
Allianz	-	690	(690)	-	-
Anonymous	30,000	20,000	(30,000)	-	20,000
Army Central Fund	-	49,200	(49,200)	-	-
Big Lottery Fund - consolidation project	123,938	299,088	(331,781)	-	91,245
Big Lottery Fund - investing in communities	6,000	56,841	(62,841)	-	-
Big Lottery Fund - Home-Start working families	87,891	22,300	(110,191)	-	-
Big Lottery Fund - Greater Manchester project	-	115,000	(113,750)	-	1,250
British Red Cross	6,571	10,197	(16,768)	-	-
Brook Trust - good ideas fund	20,777	-	(20,777)	-	-
Corra Foundation	-	197,000	(197,000)	-	-
David Family Foundation	-	10,000	(10,000)	-	-
DHSS & PS Northern Ireland	-	37,815	(37,815)	-	-
Dulverton Trust	-	38,610	(38,610)	-	-
Elizabeth Frankland Moore and Star Foundation	-	5,000	(5,000)	-	-
Garfield Weston	-	50,000	(43,000)	-	7,000
George & Grace Hart Charitable Trust	-	1,063	(1,063)	-	-
Growth Fund	-	100,000	(75,000)	-	25,000
Help Us Keep Families Connected	-	30,785	(200)	-	30,585
Home-Start Greater Manchester	11,380	-	(3,779)	-	7,601
ICAP	100,000	-	(100,000)	-	-
Liz & Terry Bramall Foundation	-	3,800	(3,800)	-	-
Margaret Harrison Travel Scholarship	6,466	983	-	-	7,449
Masonic Charitable Foundation	154,472	335,835	(127,122)	-	363,185
Nesta LENA	38,587	90,719	(109,306)	-	20,000
NI Development	11,234	2,257	-	-	13,491
Porticus UK	-	40,000	(40,000)	-	-
R S MacDonald Charitable Trust - digital technology	23,085	-	(16,708)	-	6,377
Royal Navy & Royal Marines Charity	-	98,000	(150)	-	97,850
Royal British Legion	15,944	-	(15,944)	-	-
Schroder Charity Trust	4,000	-	(4,000)	-	-
SCVO	2,910	5,000	(6,110)	-	1,800
STV	-	2,000	-	-	2,000
Sylvia Adams Charitable Trust	48,399	-	(48,399)	-	-
William A Cadbury Charitable Trust	750	-	(750)	-	-
Total restricted funds	692,404	1,622,350	(1,619,921)	-	694,833

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26c Movement in total funds (2020/21 - current year)

	At 1 April 2020 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2021 £
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	32,653	-	-	(11,869)	20,784
Strategic Delivery Fund	235,392	-	-	(235,392)	-
Strategic Transformation Fund	-	-	-	585,392	585,392
Give a Little Love	-	-	-	306,604	306,604
Total designated funds	268,045	-	-	644,735	912,780
General funds					
General funds	1,254,303	2,239,576	(1,339,064)	(644,735)	1,510,080
Non-charitable subsidiary funds	(82)	105,960	(7,111)	-	98,767
Pension liability	(231,780)	-	39,514	-	(192,266)
Total general funds	1,022,441	2,345,536	(1,306,661)	(644,735)	1,416,581
Total unrestricted funds	1,290,486	2,345,536	(1,306,661)	-	2,329,361
Total restricted funds	694,833	4,731,437	(3,928,450)	-	1,497,820
Total funds at 31 March 2021	1,985,319	7,076,973	(5,235,111)	-	3,827,181

26d Movement in total funds (2019/20 - prior year)

	At 1 April 2019 £	Income and gains £	Expenditure and losses £	Transfers £	At 31 March 2020 £
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	42,714	-	-	(10,061)	32,653
Strategic Delivery Fund	429,428	-	(194,036)	-	235,392
Total designated funds	472,142	-	(194,036)	(10,061)	268,045
General funds					
General funds	1,335,513	860,588	(951,859)	10,061	1,254,303
Non-charitable subsidiary funds	(82)	-	-	-	(82)
Pension liability	(267,241)	-	35,461	-	(231,780)
Total general funds	1,068,190	860,588	(916,398)	10,061	1,022,441
Total unrestricted funds	1,540,332	860,588	(1,110,434)	-	1,290,486
Total restricted funds	692,404	1,622,350	(1,619,921)	-	694,833
Total funds at 31 March 2020	2,232,736	2,482,938	(2,730,355)	-	1,985,319

Notes to the financial statements

For the year ended 31 March 2021

Purposes of restricted funds

1st International Congress	Donation towards attendance at a conference
Allianz	Donation of travel costs for mentor launch
Amazon	Emergency grant fund
Anonymous	Towards the Head of Volunteering post
Army Central Fund	Grants for supporting work with service families
Beatrice Laing Foundation	Supporting our work during the Covid-19 crisis
Big Lottery Fund	Various grants supporting family focus groups, outdoor play, and winter support
Big Lottery Fund	Investing in communities
Big Lottery Fund	Home-Start Working families
Big Lottery Fund	Greater Manchester Project
Brook Trust	Grants to local Home-Start facing financial difficulty and Good Ideas fund
CAST	Discovery programme to explore network support
Charles Gordon Foundation	Inside Lives Project (perinatal mental health in Scotland)
Corra Foundation	Scotland Third Sector Early Intervention Fund
David Family Foundation	Volunteer Preparation Course update
Department for Digital, Culture, Media & Sport	Loneliness fund - helping mothers overcome loneliness during Covid-19
DHSS & PS Northern Ireland	Revenue grant towards our work in Northern Ireland
Dulverton Trust	Early years development across Home-Start
Elizabeth Frankland Moore and Star Foundation	Volunteer Preparation Course update
Garfield Weston	Delivering the best training to Home-Start volunteers
George & Grace Hart Charitable Trust	Towards our work in Leicestershire
Growth Fund	To support our expansion of Home-Start reach
Harvey Charitable Trust	Towards our work in Scotland
Headley Trust	Emergency appeal to support local schemes
Help Us Keep Families Connected	Emergency Grant Appeal Fund due to coronavirus
Henry Smith Charity	Digital working in the network
Home-Start Bolton	To support the closure of Home-Start Bolton
Home-Start Greater Manchester	Towards work in the Greater Manchester area following scheme closure
ICAP	Surviving Domestic Violence
Kristian Gerhard Jebsen Foundation	Connecting from the Start
Liz & Terry Bramall Foundation	Volunteer Preparation Course update in 2019-20 and Covid-19 appeal for Yorkshire
Margaret Harrison Travel Scholarship	Travel bursaries for Home-Starters
Masonic Charitable Foundation	Big Hopes Big Future®
Nesta	Connected from the Start to develop a collective family support offer for new parents
Nesta LENA	LENA home Early Years Social Action Fund
NI Development	Funding from the NI carol concerts and Playboard NI
Pat Newman Memorial Trust	Supporting our work in perinatal mental health
Pears Family Charitable Foundation and DCMS	Department for Digital, Culture, Media & Sport Community Match Challenge Grant
Porticus UK	Programme of work to support families with multiple and complex needs in 2019-20 and building Home-Starts online volunteer community in 2020-21
R S MacDonald Charitable Trust	Development in Scotland and support of families using digital technology
Rayne Foundation	Mental health work (Inside Lives)
Royal British Legion	Moving In/Moving On
Royal Navy & Royal Marines Charity	Family support to naval families
Schroder Charity Trust	Perinatal mental health training/staff costs
Scottish Children's Lottery	Supporting children in Scotland
Scottish Government	Various grants supporting family focus groups, outdoor play, and winter support funds during the pandemic
SCVO	Digital mentoring elearning project
STV	Big Hopes Big Future® project in Scotland
Sylvia Adams Charitable Trust	Perinatal mental health training/staff costs
Tedworth Charitable Trust	Towards Covid-19 related work with local Home-Starts and core services in 2021-22
Vichai Srivaddhanaprabha Foundation Limited	Crisis fund for local Home-Starts in Leicester and Leicestershire
Warburtons	Family matters emergency grant fund
White Stuff Foundation	Supporting local Home-Starts during the pandemic
William A Cadbury Charitable Trust	Perinatal mental health training/staff costs

Purposes of designated funds

Fixed Asset Fund

The fixed asset fund represents all unrestricted funds invested in fixed assets net of any associated liabilities.

Strategic Delivery Fund

To support the response and recovery from the impact of COVID-19. The balance on this fund has been transferred to the Strategic Transformation Fund

Strategic Transformation Fund

To support the strategic framework for Home-Start UK and the network of network transformation over the next 3 to 5 years.

Give a Little Love

The Give a Little Love fund represents unrestricted funds from the Christmas Campaign to support the network locally.

Transfers

Transfers between unrestricted funds and designated funds are agreed by the trustees.

27 Reconciliation of income to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period (as per the statement of financial activities)	1,841,862	(247,417)
Depreciation charges	11,869	12,163
Interest from investments	(23,409)	(28,632)
(Profit)/loss on the disposal of investments	(71,355)	(3,756)
Decrease in stocks	2,119	23,658
(Increase)/Decrease in debtors	(1,127,933)	(303,049)
Increase/(Decrease) in creditors	397,878	21,989
Net cash provided by operating activities	1,031,031	(525,044)

28 Analysis of cash and cash equivalents

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	502,959	452,976	955,935
Short notice deposits held for investment	1,005,741	401,464	1,407,205
Total cash and cash equivalents	1,508,700	854,440	2,363,140

29 Operating lease commitments

The group and charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2021 £	2020 £	Equipment 2021 £	2020 £
Less than one year	37,445	43,674	450	753
One to five years	10,077	16,383	-	376
	47,522	60,057	450	1,129

30 Legal status of the charity

The charity is a company limited by guarantee and has no share capital.

31 Post balance sheet events

As stated in Note 24, Home-Start UK participates in a defined benefit pension scheme. The information provided in these financial statements refers to the full actuarial valuation for the scheme that was carried out at 30 September 2017. We are awaiting the detailed actuarial valuation at 30 September 2020 alongside a new deficit recovery plan. It is estimated that this could reduce the pension deficit liability by approximately £120k, but this could be offset by a new future liability for pension administration costs. The financial statements have not been adjusted as it was not material to the financial statements. Changes, once confirmed, will be accounted for in 2021-22.